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ABSTRACT

Of the 19 projects conducted as part of the Defense Conversion Adjustment (DCA) Demonstration administered by the U.S. Department of Labor's Office of Work-Based Learning, 5 tested the community planning approach. The projects attempted to alleviate the negative impacts of defense cutbacks on communities, firms, and workers. The project sites included rural, suburban, and urban communities with unemployment rates ranging from 3%-3.5% to 15%-20%. The following were among the factors identified as critical to successful community planning: developing an inclusive goal statement; setting feasible project objectives; limiting the number of project objectives; building on existing capacity; establishing relationships to other planning activities; using subcommittees effectively; understanding the importance of local project leadership; balancing the need for an inclusive planning body with the need to achieve consensus; securing commitments from participating agencies; setting the project schedule; reaching consensus on the planning process early; using consultants effectively; using information as a strategic tool; anticipating obstacles to information-gathering efforts; appreciating importance of obtaining expertise and gauging the political climate; assessing strategies effectively; reaching community consensus; mobilizing resources; and building new relationships between the employment and training community and economic development efforts. (Appendixes contain profiles of the five DCA projects testing the community planning approach and fact sheets for five additional DCA projects.) (MN)

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Responses to Defense Cutbacks: The Community Planning Approach

Research and Evaluation Report Series 97-B

U.S. Department of Labor
Employment and Training Administration
1997

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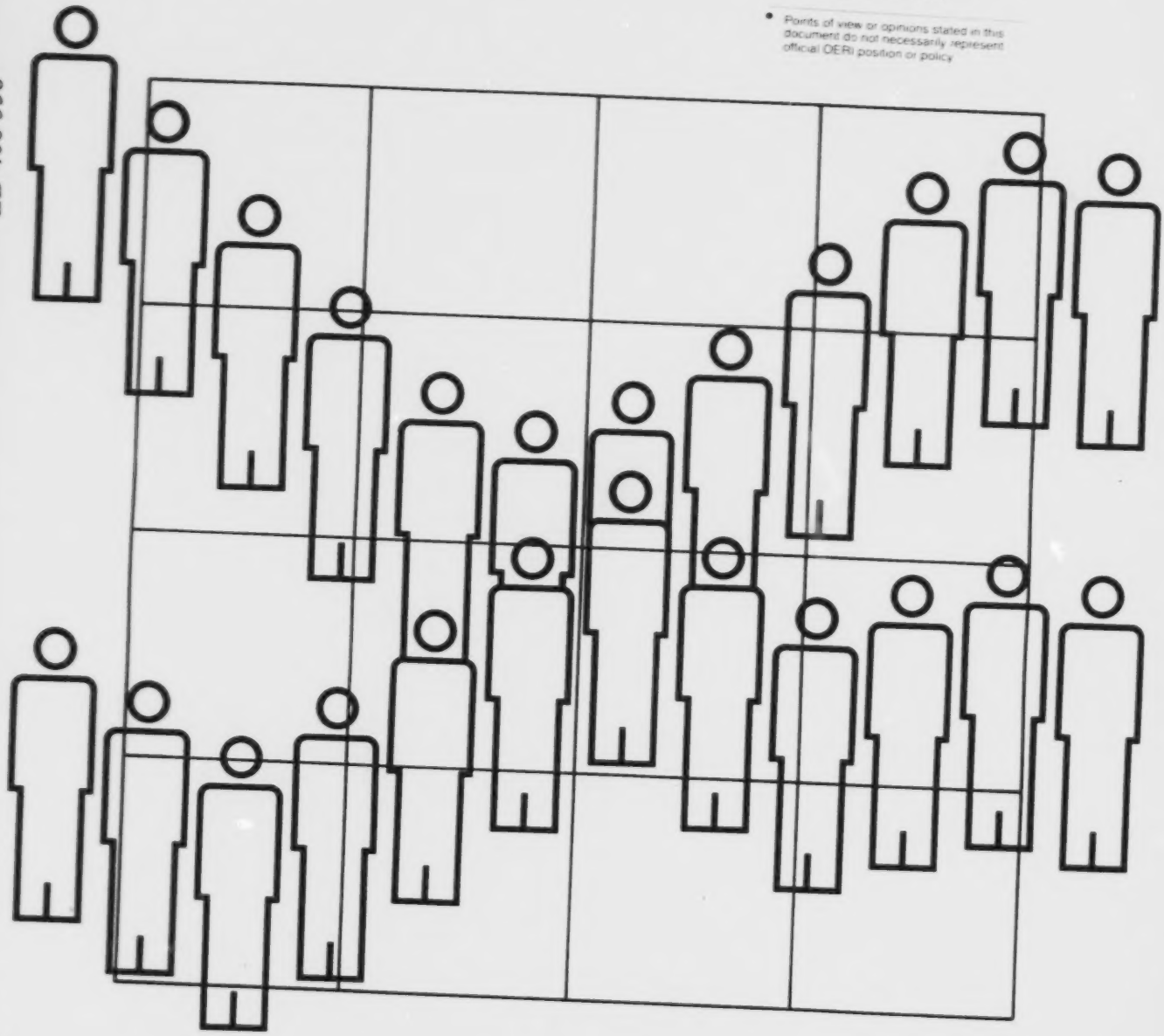

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Response to Defense Cutbacks: The Community Planning Approach

Research and Evaluation Report Series 97-B

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1997

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First, we'd like to thank the talented and dedicated staff of two offices within the U.S. Department of Labor who provided not only the funding, but essential support and information: the Office of Policy and Research and the Office for Worker Readjustment Programs. Eileen Pederson, Eric Johnson, Doug Holl, Maurice Birch and Maureen Cronin were particularly valuable partners in this endeavor.

Second, we'd like to thank those who designed, operated and participated in the 19 Defense Conversion Adjustment (DCA) demonstration projects that were the primary subjects of this evaluation. These individuals, businesses and communities were truly pioneers in testing brand new ways of thinking about and responding to defense cutbacks, and many worked long hours to make their ideas work. These individuals nonetheless found time to sit down with us for hours of interviews, always doing their best to provide whatever information we asked for.

Third, we would like to thank those individuals and organizations who operated the "supplementary projects" we visited who volunteered to be part of this study. We are particularly appreciative of the managers, labor representatives, and employees of those defense firms that were willing to open their doors to our research staff.

Finally, many thanks to Eric Engles, whose calm patience and fine editorial skills were exactly what we needed to get these reports done. And we thank BPA's dedicated support staff, Pat Spikes-Calvin and Sasha Gottfried, for once again producing such visually-pleasing reports.

The Authors

PREFACE

Berkeley Planning Associates (BPA) and Social Policy Research Associates (SPR) are pleased to offer this final report from the evaluation of the Defense Conversion Adjustment (DCA) demonstration. An earlier report, the ***Interim Report on Implementation,*** presented preliminary observations on the design and implementation experiences of twelve of the DCA projects (those that were funded in the first round and began operations in early 1993). This report concludes the three-year long DCA demonstration and evaluation involving a total of 19 demonstration projects.

A wide range of individuals and organizations have followed the progress of the DCA grantees, including the U.S. Departments of Labor, Defense, Commerce and Energy, experts in the field of defense conversion, members of the employment and training community and, of course, the DCA grantees themselves. No single report can easily meet the informational needs of this heterogeneous group. For this reason we have "packaged" this report in three separate volumes, with an executive summary containing information from all three volumes, so that readers can select those volumes that interest them most.

Each volume corresponds with one of the three main approaches used in this demonstration to respond to defense downsizing. **Volume I, The Community Planning Approach**, contains descriptions and analysis of the projects in the demonstration that focused on planning responses to military facility closures or mass dislocation caused by extensive defense-related downsizing in their communities. **Volume II, The Dislocation Aversion Approach**, contains descriptions and analysis of the projects that worked with at-risk defense firms to support these firms' efforts to avert laying off workers as part of their conversion strategy. **Volume III, The Worker Mobility Approach**, contains descriptions and analysis of the projects that attempted to meet the employment and training needs of workers who had lost their jobs in the defense sector. A **Summary of Findings** summarizes lessons learned and presented in all three volumes.

Readers interested in the details of how each project designed and implemented defense conversion strategies are encouraged to refer to the individual project profiles in Appendix A of each volume. We have also included one-page "fact sheets" containing basic information on all the projects using a given approach as well as several additional projects that were selected and studied to supplement information gathered from the DCA projects.

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CHAPTER I

INTRODUCTION

I. INTRODUCTION

THE DEFENSE DRAWDOWN AND THE FEDERAL RESPONSE

Largely in response to the end of the Cold War, support for a political agenda aimed at American military superiority and an increased capacity for foreign intervention gave way to one more concerned with domestic issues. As a result of the fall of the Berlin Wall and the break-up of the former Soviet Union, large cuts in U.S. defense spending were initiated. Budget analysts predicted a drop in U.S. Department of Defense (DOD) outlays of 30% between 1987 and 1997. In absolute terms, these reductions were expected to amount to an average reduction of $10 billion per year over a ten-year period. As a percentage of gross national product, defense outlays were expected to fall from 6% in 1987 to 3.5% in 1997. Defense procurement was the category of DOD expenditures that was expected to be most affected by the cutbacks. Expenditures for DOD contractors were expected to drop by $46 billion between 1987 and 1997, while expenditures for military personnel were to decline by $25 billion over the same period.[1] Thus, the defense drawdown was expected to be particularly disruptive for defense-related industries.

Major changes in federal defense appropriations have indeed occurred. By 1993, defense outlays had dropped to 4.7% of the gross national product. Real defense spending declined $48 billion dollars between 1987 and 1993, resulting in the loss of 1.65 million jobs, 989,000 of them in the private sector. Based on current budget proposals and DOD projections, further reductions totaling an additional $45 billion are expected by 1999.[2] As with the cuts experienced prior to 1993, the private sector defense industry is expected to absorb the largest share of these cuts.

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[1]Defense Conversion Commission, *Adjusting to the Drawdown*, Washington, D.C., December 1992; and U.S. Congress, Office of Technology Assessment, *After the Cold War: Living with Lower Defense Spending*, Washington, D.C., February 1992.

[2]Norman C. Saunders. 1995. "Defense-Related Employment Retrenches." *Occupational Outlook Quarterly*. Vol. 39; No.2.; Roy E. Green. (1995). "Defense Conversion: A Syntax for Action." In *Best Practices in Defense Conversion*, ed. Karl F. Seidman, National Council for Urban Economic Development, Washington, D.C.

Although these reductions are substantial, it is important to note that reductions in defense spending beginning in 1987 came on the heels of the "greatest peacetime build-up that the world has ever known."[3] Fueled by dramatic increases in defense expenditures between 1980 and 1986, the U.S. economy in the late 1980's featured the highest proportion of defense-related employment since the Vietnam War (6.2% between 1985-1987).[4] Despite substantial cuts in defense spending between 1987 and 1995, defense spending in 1995 (measured in inflation-adjusted dollars) was still at a level equal to that of the early 1980's. Thus, current reductions in defense outlays and weapons procurement budgets must be seen in relation to the significant increases that immediately preceded them.

IMPACT OF REDUCTIONS IN DEFENSE SPENDING

Recent defense expenditure reductions have affected, and continue to affect, communities with concentrations of defense-related activities, defense-dependent firms, and individual defense-industry workers and DOD civilian personnel.

At the ***community level***, cutbacks in defense spending have had particularly devastating impacts on local areas in which a high percentage of local economic activity is related to defense contracting or the operation of affected military installations. Features of these high-impact areas include:

- High numbers of workers dislocated from DOD prime contractors, civilian employment at DOD installations, or military service at affected bases.

- Major secondary effects on local employment for defense subcontractors and local suppliers.

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[3]Jacques S. Gansler. 1995. *Defense Conversion: Transforming the Arsenal of Democracy*. Boston: MIT Press, p.1.

[4]Gansler (1995), based on 1992 data from the Office of Technology Assessment.

- Tertiary effects on local retail and service jobs, resulting in overall high unemployment and economic decline.

- Limited information about how to go about planning for economic development, job creation, and alternative uses of facilities, equipment, and human resources.

- A variety of organizations, agencies, and interest groups with concerns about the situation and the ability to offer resources to develop a coordinated community response.

At the ***firm level***, cutbacks in defense spending have had the greatest impact on firms that specialize in the production of components or products that are required to meet strict defense procurement specifications. Faced with sharp cutbacks or decreased demand for their products by DOD, these firms must become competitive by developing new products and/or new markets. Defense-dependent firms are characterized by:

- Substantial experience producing limited quantities of high-cost products to meet detailed military specifications.

- Little experience investing their own funds in research and development efforts to bring new products to market.

- Little experience developing flexible or diverse product lines.

- Little experience with activity-based cost accounting, inventory control procedures, or market research.

- Little experience with cost containment or continuous improvement strategies or procedures.

- Little experience with customer service and marketing to commercial customers.

Overall, many of these firms still control sizable resources in terms of facilities and equipment and a highly trained workforce. However, they face an immediate challenge in transferring these resources to production for non-defense markets.

At the ***individual worker level***, dislocated and at–risk defense workers, separated military personnel, and laid-off civilian DOD employees seek new jobs in the non–defense sector. These workers are characterized by:

- Relatively high levels of education and technical skills.
- Relatively older ages and higher levels of unionization than other manufacturing workers.
- High wages, as much as 25% above "market value" in other industries.
- Manufacturing skills that are increasingly obsolete.
- Extensive job–related experience and training that may not be reflected in formal educational credentials.
- Familiarity with a defense industry corporate culture that emphasizes bureaucratic top–down decision making rather than participatory work teams, and technical specificity over cost control and efficiency.
- A lack of information about non-defense occupations and employers.

In their search for new jobs, some workers need relatively little help in areas such as job search assistance and short–term skills training. Others need to learn new skills to prepare them for new careers. In areas with high concentrations of defense–dependent firms or military bases, dislocated defense workers face a job market with limited reemployment opportunities, and one

saturated with experienced job seekers possessing similar skills. In such cases, workers have been forced to consider relocating or seeking new jobs that may or may not build on their existing skills.

The federal government provides assistance to communities, firms, and workers affected by defense cutbacks through several programs.

FEDERAL ASSISTANCE TO IMPACTED COMMUNITIES

The federal government has responded to defense downsizing by making funds available through a variety of agencies and organizations that support a broad range of conversion activities.

The Office of Economic Adjustment (OEA) within the Department of Defense supports long-range planning in communities affected by base closures and realignments by providing planning grants and direct technical assistance to local government agencies and community groups. OEA-funded planning efforts generally focus on the re-use of military installations and defense plants. The program's budget expanded under the community initiatives provisions of the Defense Authorization and Appropriations Act of 1993. OEA was funded at $39 million for FY 95.

The Economic Development Administration (EDA) in the Department of Commerce (DOC) provides grants to support a wide range of initiatives designed to counter economic decline rooted in defense downsizing. The Sudden and Severe Economic Dislocation Program (SSED) provides grant support to help communities facing major job losses from both defense and non-defense-related dislocation. Funds may be used for technical assistance, planning, and implementation of adjustment plans supported by OEA. While plans require coordination with local education and training authorities, worker retraining is not usually a central planning focus. To enable it to respond to the needs of communities affected by current defense cutbacks, this program received expanded funding under both the National Defense Authorization Act of 1991 and the FY 1993 Defense Authorization

and Appropriations Acts. As of this writing, however, the program was at risk in budget negotiations.[5]

The DOC Economic Development Administration (EDA) has coordinated with the DOD via a memorandum of understanding and interagency task forces in an effort to support community infrastructural development, particularly in areas affected by base closures. The EDA made $50 million in funds available in 1993, and increased that amount to $180 million in 1994.[6]

ASSISTANCE TO AFFECTED FIRMS

Several federal agencies have attempted to address the readjustment needs of defense-dependent firms. The National Institute for Standards in Technology (NIST) within the Department of Commerce (DOC) has allocated funds for conversion activities through its Advanced Technology Program (ATP). This program, aimed at the development of new commercial technologies, maintained a $150 million budget in 1993 and more than tripled that figure the following year.[7] Other NIST initiatives are aimed at improving the efficiency of and developing high-quality practices and procedures in the manufacturing sector of the U.S. economy.

One of the most significant federal programs designed to assist private-sector defense firms to enter new markets is the Technology Reinvestment Project (TRP). This multi-agency program was authorized by the National Defense Authorization Act of 1993, and received $605 million funding during FY 1993. The program is housed and administered in the Department of Defense's Advanced Projects Research Agency (APRA), but represents a collaborative effort on the part of many federal agencies including APRA, the Department of Energy (DOE), the National Institute for Standards in Technology (NIST) in the Department of Commerce, the National Science Foundation,

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[5] James Bridgman. 1995. "1995's Meager Base Closure Round." *The New Economy*. Vol. 6, No.2. *National Commission for Economic Conversion and Disarmament.*

[6] Woodrow W. Clark. 1994. "Defense Conversion — The Economic Conversion of the World Economies: The American Example." *Journal of Business and Industrial Marketing*. Vol. 9, No. 4.

[7] Clark, 1994.

the National Aeronautics and Space Administration, and the Department of Transportation. The White House National Economic Council oversees the program. TRP funds are designated to support three types of activities: (1) the development of technologies with potential commercial applications; (2) the dissemination of existing technology to support increased competitiveness of firms in defense and commercial markets; and (3) the retraining of dislocated or at-risk workers in defense-dependent firms.[8] Although the TRP's objectives are similar to those of the ATP, the TRP emphasizes the development of *dual-use* technologies in particular.

ASSISTANCE TO AFFECTED WORKERS

The Economic Dislocation and Worker Adjustment Assistance (EDWAA) program administered under Title III of the Job Training Partnership Act by the Department of Labor (DOL) focuses on retraining and readjustment for individual dislocated workers. Although defense conversion adjustment is not explicitly addressed in the EDWAA legislation, state and substate grantees for Title III have been heavily involved in responding to the needs of workers dislocated as a result of base closures and defense plant layoffs.

To address the substantial impacts of defense cutbacks, the National Defense Authorization Act of 1991 allocated $150 million to the Department of Labor to operate a new Defense Conversion Adjustment Program (DCA), administered under Section 325 of JTPA Title III. Under the DCA program, grants were awarded to states, EDWAA substate grantees, employers, and business and labor associations to provide retraining, adjustment assistance, and placement services to individual defense workers and civilian DOD employees dislocated as a result of reductions in defense expenditures or closures of military facilities. As described in the next section, one section of the legislation creating the DCA program also called for the demonstration projects that are the subject of this report.

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[8] See "U.S. Agencies Work Together to Encourage High Technology." 1994. *Business America*. Vol. 115, No.8; Bennett Harris. 1994. "When Government Gets It Right." *Technology Review*. Vol. 97, No. 7.

In addition, the FY 1993 Defense Authorization and Appropriations Act included $75 million for the Defense Diversification Program (DDP) administered by the Department of Labor under Section 325 of the Job Training Partnership Act (JTPA) Title III. The DDP program makes grants available to states, substate grantees, employers, representatives of employees, and labor-management committees for training, adjustment assistance and employment services. Under certain circumstances, DDP funds may also be used to provide skills upgrading to employed individuals in non-managerial positions. In PY 1995, after the DCA and DDP appropriation were fully obligated, DOL received authority to continue funding DCA and DDP projects with JTPA Title III, Part B funds.

The Department of Labor also operates the Trade Adjustment Assistance Program (TAA) for dislocated workers who lose their jobs as a direct consequence of foreign competition or changes in international trade. The program, established in 1962 and changed substantially in 1974 and 1981, offers extended Unemployment Insurance (UI) benefits called Trade Readjustment Allowances (TRAs), re-employment services, and training to eligible dislocated workers. Although the program is not industry-specific, most recipients of TAA assistance are laid off from manufacturing jobs.[9] Thus, many dislocated defense workers have been determined eligible as large-scale production work is increasingly shipped overseas.

The U.S. Department of Education (DOE) has provided assistance to dislocated defense workers through the provision of funds for continuing education. In general, the DOE has attempted to support the retraining of workers who are unlikely to secure jobs in the same fields. The DOE has also undertaken specific efforts to link dislocated defense workers to public educational institutions through its consideration of new programs such as the "troops to teachers" initiative or its interest in creating high-tech classrooms.[10]

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[9] Paul T. Decker and Walter Corson. 1995. "International Trade and Worker Displacement: Evaluation of the Trade Adjustment Assistance Program." *Industrial and Labor Relations Review*, Vol. 48, No. 4.

[10] Clark, 1994.

THE DEFENSE CONVERSION ADJUSTMENT (DCA) DEMONSTRATION

Section 325(d) of Title III of the JTPA provided funding for demonstration projects as part of the DCA program to encourage and promote innovative responses to defense-related dislocations. In an initial announcement in the *Federal Register* on May 12, 1992, DOL announced the availability of approximately $5 million for projects in the areas of dislocation aversion, increased worker mobility, community planning, economic development, and local initiatives. Twelve demonstration grants were awarded in November 1992 for an initial 18-month demonstration period. Of the 12, seven subsequently received funding for an additional 12-month "option year." A second round of DCA demonstration funding was announced in the *Federal Register* on June 3, 1993, and seven additional grants totaling approximately $3.4 million were announced on November 22, 1993. Funding for an additional "option year" was not available to these projects. Although some projects received no-cost extensions beyond their planned end dates, all but one of the projects had terminated by December 1995.[11] This report presents findings on the implementation experiences and outcomes of all nineteen DCA demonstration projects.

The demonstration announcements emphasized that the purpose of the DCA demonstration projects was to undertake innovative approaches not otherwise found in standard Title III or Defense Conversion Adjustment programs. Areas of potential innovation included:

- Use of grantee organizations and administrative entities not generally responsible for dislocated worker services.

- Targeting of demonstration activities and services to individuals and groups not generally included in EDWAA services, including defense-dependent firms and impacted communities as well as individual workers dislocated or at risk of dislocation as a result of the reductions in defense spending.

[11]The one exception was the Military Certification (MilCert) project at Clemson University in South Carolina, which was extended through June 1996.

- Provision of a wide range of services and activities related to defense conversion objectives, including, for example, formation of community task forces, business development assistance, entrepreneurial training, workforce training in high performance workplace skills and total quality management concepts, as well as training in technical fields for individual workers.

- Coordination of DCA demonstration activities with defense conversion activities supported by other funding sources (including, for example, economic development or community adjustment funding).

Although the Defense Conversion Adjustment demonstration grants were awarded under five different categories—dislocation aversion, increased worker mobility, community planning, economic development, and locally initiated—the different DCA demonstration approaches can be described using three conceptual approaches. These approaches are the community planning approach, the dislocation aversion approach, and the worker mobility approach. Some demonstrations used a single approach, while others developed designs that combined approaches.

THE COMMUNITY PLANNING APPROACH

The community-level impacts of defense cutbacks are particularly severe when defense-related facilities downsized or closed resulting in mass layoffs within a limited geographical area. In such cases, the layoffs sometimes have devastating effects on the local economy, causing substantial secondary layoffs among dependent businesses in the community and limiting the immediate employment prospects for workers affected by the original layoff. Further complications arise when, as is often the case, large numbers of workers with similar skills suddenly begin seeking jobs in an already tight labor market.

Paradoxically, the potential for disaster posed by events like military base closures or significant defense contractor downsizing provides communities with unique opportunities for social and economic revitalization. The community planning approach was designed specifically to help

communities develop innovative and creative responses to the impacts of a defense-related facility downsizing or closure.

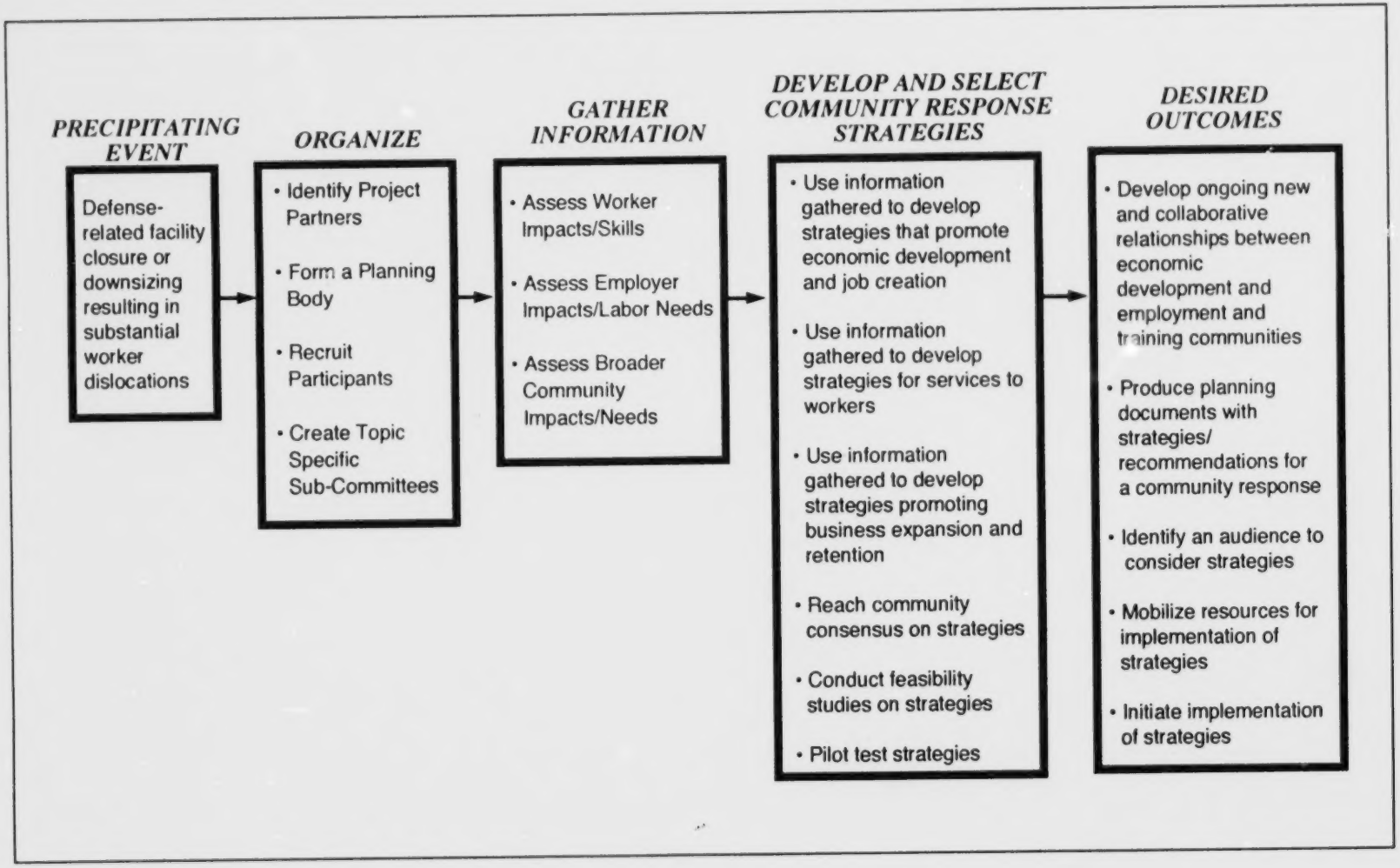
Figure I-1 depicts the strategy for the community planning approach. As shown, the precipitating event was an impending closure or downsizing of a defense-related facility in an area unusually dependent on the defense industry. The community planning approach emphasized the activities needed to develop a coherent and unified community response to the local situation. These activities included: organizing stakeholders; gathering and analyzing information; and developing and selecting community response strategies. While implementation of the community response strategies is the ultimate outcome of the planning effort, implementation was not part of the funding for the DCA demonstration projects. However, by the end of the demonstration, planning projects should have initiated activities to facilitate the implementation of recommended community strategies.

Generally, the community planning approach was designed to support, coordinate, and/or expand the formal and grassroots activities initiated by local officials, community agencies, and other interest groups. Worker adjustment services and worker retraining were usually only one set of issues on the local planning agenda. The DCA community planning demonstration provided grantees with an opportunity to ensure that human resource issues were addressed along with other community issues such as economic development.

The community planning approach represented a substantial departure from traditional EDWAA activities as well as from the activities funded under regular non-demonstration DCA or DDP grants. By funding community planning projects under the Defense Conversion Adjustment demonstration, DOL hoped to identify innovative approaches for linking workforce development issues with longer-term regional economic development and/or reuse of military facilities. Ideally, this linked planning process would also address the immediate needs of the workers dislocated from defense-related employment.

Figure I-1

COMMUNITY PLANNING APPROACH


PRECIPITATING EVENT
Defense-related facility closure or downsizing resulting in substantial worker dislocations
ORGANIZE
• Identify Project Partners
• Form a Planning Body
• Recruit Participants
• Create Topic Specific Sub-Committees
GATHER INFORMATION
• Assess Worker Impacts/Skills
• Assess Employer Impacts/Labor Needs
• Assess Broader Community Impacts/Needs
DEVELOP AND SELECT COMMUNITY RESPONSE STRATEGIES
• Use information gathered to develop strategies that promote economic development and job creation
• Use information gathered to develop strategies for services to workers
• Use information gathered to develop strategies promoting business expansion and retention
• Reach community consensus on strategies
• Conduct feasibility studies on strategies
• Pilot test strategies
DESIRED OUTCOMES
• Develop ongoing new and collaborative relationships between economic development and employment and training communities
• Produce planning documents with strategies/ recommendations for a community response
• Identify an audience to consider strategies
• Mobilize resources for implementation of strategies
• Initiate implementation of strategies

THE DISLOCATION AVERSION APPROACH

In the ***dislocation aversion approach***, defense-dependent firms were assisted in restructuring their operations to compete successfully in commercial markets. In contrast to traditional EDWAA services, which assist individual workers, the intent was to reduce dislocations through early intervention for the firm as a whole to preserve the jobs of employees at risk of dislocation.

Figure I-2 depicts the general approach for projects that tested dislocation aversion strategies. The precipitating event was usually one or more defense-dependent firms experiencing a sharp decline in sales as a direct or indirect result of declining defense procurements. After identifying and selecting defense-dependent firms that were interested in (1) restructuring for competition in non-defense markets and (2) using worker retraining as one tool to further diversification or conversion efforts and prevent layoffs, projects using the dislocation aversion approach intervened to assist the firm(s) in one or more of the following processes:

(1) Assessing the firm's strengths and weaknesses and opportunities for conversion or diversification.

(2) Developing detailed strategic plans for conversion or diversification, including developing financing for implementing the strategic plan.

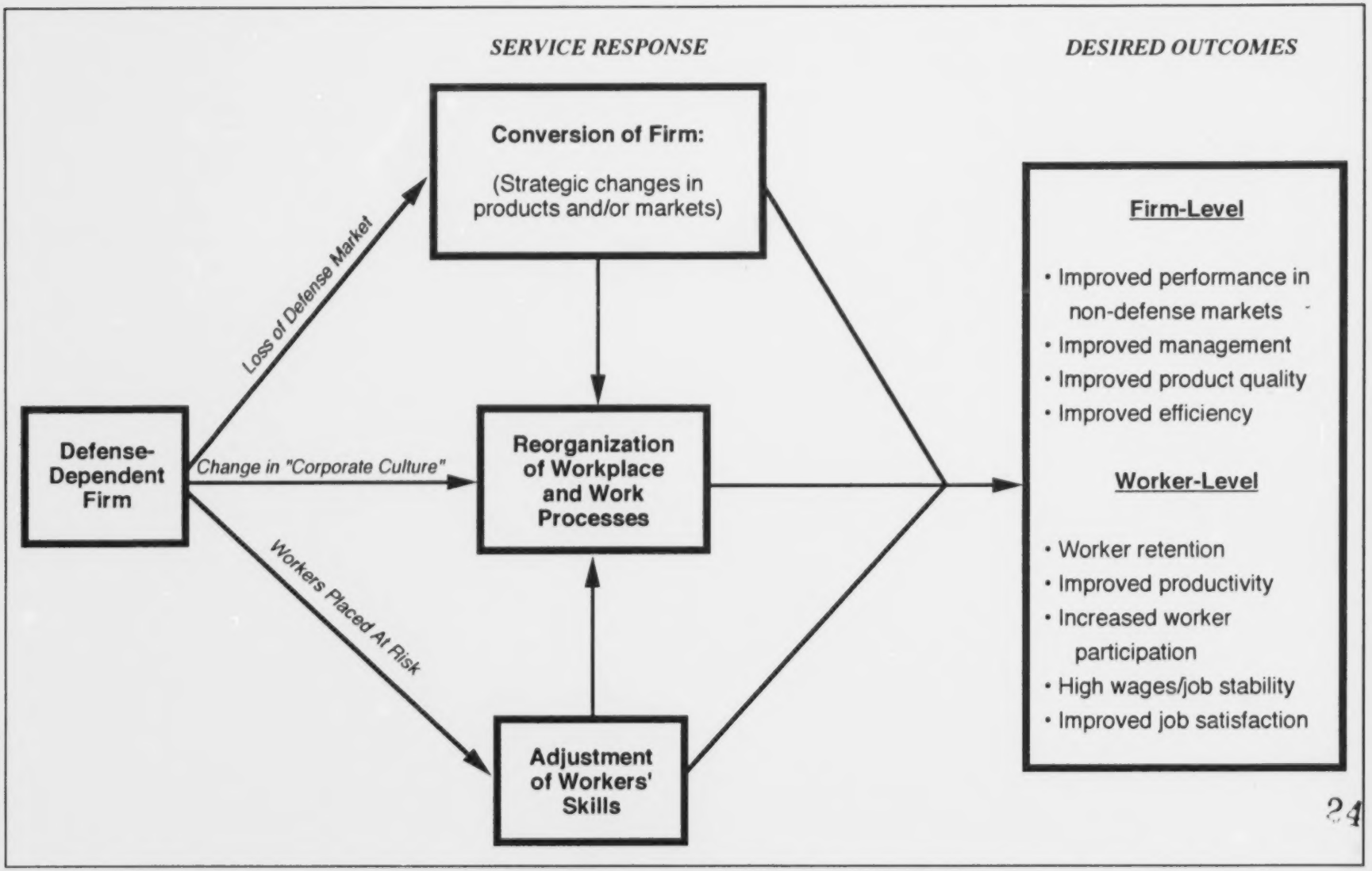
(3) Reorganizing the workplace to implement improved technologies, more flexible production procedures, or transformed worker roles and responsibilities.

(4) Providing technical assistance and training to managers in marketing, reorganization of production, financial restructuring, record-keeping, and total quality management, as needed.

(5) Retraining workers in needed technical or high performance workplace skills necessary to help the firm compete in broader markets.

Figure I-2

DISLOCATION AVERSION APPROACH



Like the community planning approach, the dislocation aversion strategy represented a substantial departure from traditional EDWAA approaches. Although it was hoped that the Worker Adjustment and Retraining Notification Act (WARN) provisions for advance notification of layoffs would permit layoff aversion to occur under Title III, there is not usually enough lead time under WARN to permit successful restructuring at the company level. To be able to turn around the financial status of a troubled firm, the dislocation aversion approach needed to (1) intervene early enough to be able to positively influence the firm's financial state and (2) provide or arrange for sophisticated management assistance to guide successful restructuring.

A second important departure from mainstream EDWAA approaches was the focus on at-risk workers, as opposed to those who have already separated or received layoff notices. At-risk workers are not currently eligible for services funded under other provisions of Title III. Although it is obviously an essential part of any dislocation aversion strategy, the freedom to target at-risk workers raised a series of operational issues concerning who to select for participation, and what services to offer to affected workers. These issues were raised explicitly in the demonstration grant announcement, along with the requirement to consult with representatives of affected employees during both design and implementation of the projects.

Lastly, dislocation aversion strategies implied radically new types of training and target populations. Targeted workers included highly skilled engineers, managers, and business owners as well as production workers. As described in this report, the dislocation aversion projects provided a broad array of training approaches and curricula. In addition to employer-customized occupational skills training (some of it in advanced technical fields), training was provided in statistical process control, advanced marketing techniques, just-in-time inventory and procurement, participatory management, total quality management, teamwork, and communications skills. Training of this scope is not unknown in EDWAA, but current experience remains quite limited. Some projects may serve as models for future efforts to train highly-skilled at-risk workers, encourage employer and worker participation in curriculum design, involve management consultants and similar service providers, and develop on-the-job training practices.

THE WORKER MOBILITY APPROACH

Although a number of layoff aversion efforts were successful, large numbers of defense industry workers and civilian DOD employees nonetheless suffered dislocations as a result of reduced defense expenditures. Worker mobility projects served the needs of defense workers after dislocation occurred or when dislocation was unavoidable. Although the worker mobility demonstrations shared their general approach with the EDWAA program as well as with the Defense Conversion Adjustment and Defense Diversification programs as a whole, the DCA demonstration projectss were intended to test new and innovative ways of increasing mobility for workers affected by the defense drawdown.

Figure I-3 depicts the general worker mobility approach. The precipitating event was usually the reduction or elimination of one or more defense contracts which caused a defense-dependent firm to announce layoffs. In communities and regions hard hit by reductions in defense contracting, the precipitating event was not usually a single layoff but a number of layoffs across a wide range of firms over an extended period. Worker mobility projects were also organized in response to announcements of the closure or downsizing of military facilities that resulted in job loss for civilian DOD employees and/or military personnel.

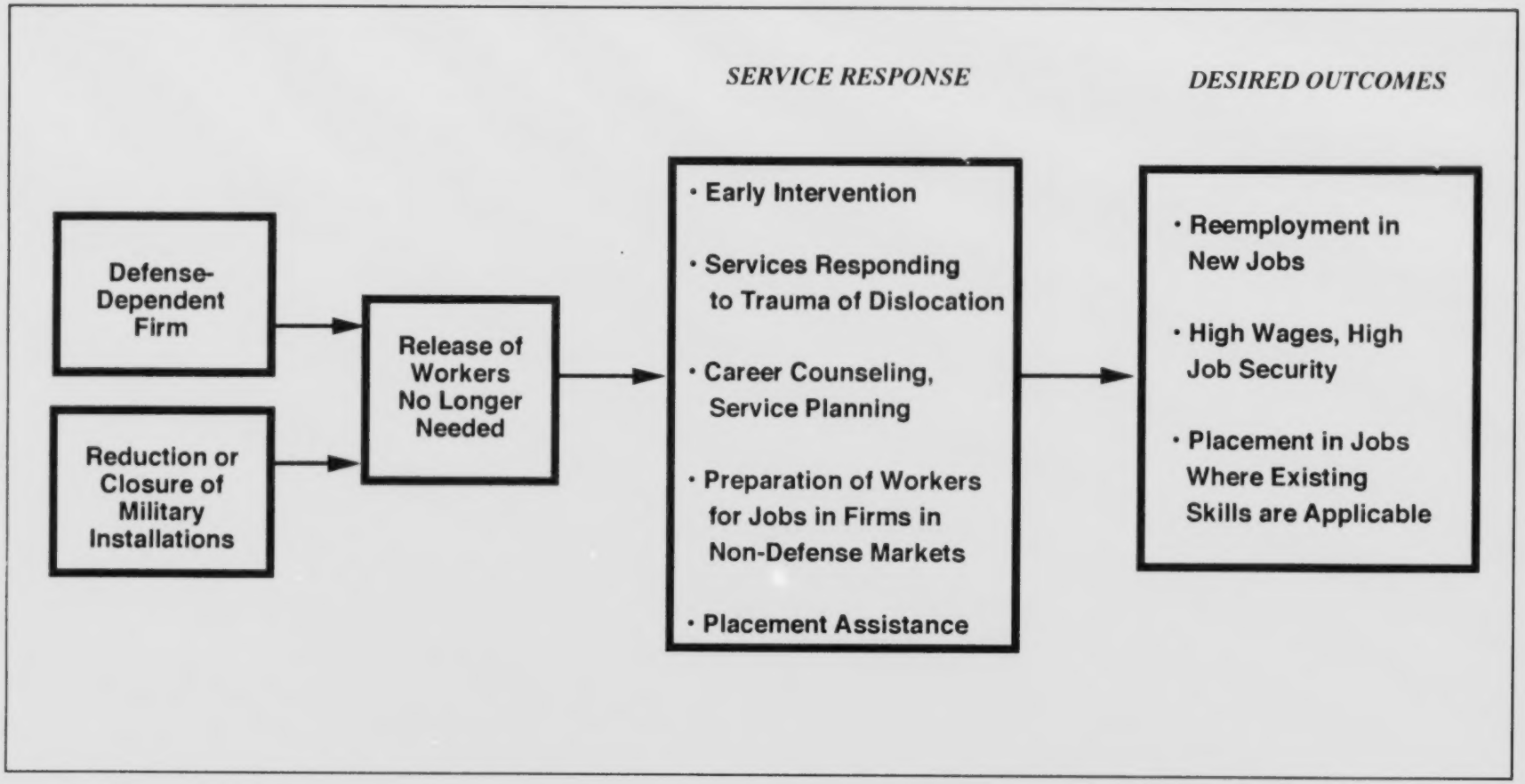
After identifying a group of workers laid off from defense-related employment, the worker mobility approach seeks to intervene as soon as possible to help affected workers obtain re-employment in high-quality jobs offering high wages, benefits, and job security. Projects using the worker mobility approach attempted to assist workers using a number of strategies, including:

(1) Providing services responding to the crisis-adjustment needs of dislocated workers, including personal and family counseling, financial counseling, and stress-management services.

(2) Assessing individual skills and interests, identifying employment barriers and transferable skills, and assisting workers in their exploration of occupational choices and their development of individual employment goals and strategies.

Figure I-3

WORKER MOBILITY APPROACH


SERVICE RESPONSE
DESIRED OUTCOMES
Defense-Dependent Firm
Reduction or Closure of Military Installations
Release of Workers No Longer Needed
• Early Intervention
• Services Responding to Trauma of Dislocation
• Career Counseling, Service Planning
• Preparation of Workers for Jobs in Firms in Non-Defense Markets
• Placement Assistance
• Reemployment in New Jobs
• High Wages, High Job Security
• Placement in Jobs Where Existing Skills are Applicable

(3) Identifying occupations in the economy that can absorb the skills of dislocated workers and assisting workers in transferring their skills to these jobs through skills certification, short-term skills enhancement, or longer-term retraining.

(4) Assisting interested individuals in starting small businesses or joint ventures aimed at transferring technology developed in the defense sector to commercial applications.

(5) Training workers in the cultural and organizational differences between defense-oriented and commercially-oriented workplaces (e.g., training in high performance workplace skills).

(6) Assisting workers in marketing their defense/military work experience to commercial employers.

(7) Assisting workers in identifying job opportunities in other geographic regions and planning for relocation.

Opportunities for innovation under the worker mobility demonstrations included (1) experimenting with new and different organizational arrangements for project administration and service delivery; (2) designing a project targeted to workers from an identified occupational grouping (e.g., aerospace designers and draftspersons) or interested in a specific re-employment occupation (e.g., primary and secondary school teaching); and (3) coordinating the worker mobility approach with job creation or economic development strategies.

Potential organizational innovations included the involvement of new types of agencies and institutions in the design and delivery of services for dislocated defense workers, as well as the development of new types of partnerships among agencies. The DCA demonstration grant announcements encouraged applications from firms, employer associations, labor associations, and other agencies, in addition to the substate entities responsible for administration of services under EDWAA.

The worker mobility demonstration projects also had the opportunity to design innovative services tailored to the specific needs of dislocated defense workers or separated military personnel. These innovations consisted of developing new skills-enhancement or retraining curricula to prepare selected target groups for new careers in the commercial sector, or new basic readjustment-service designs that prepare dislocated defense workers to market their skills to non-defense employers.

Finally, worker mobility demonstration projects experimented with linkages between economic development strategies and worker mobility approaches. In the announcement of funding availability for the Round 1 DCA demonstration grants, DOL invited proposals in a separate category called economic development. The *Federal Register* announcement encouraged applicants under this category to coordinate OEA community planning funds with demonstration funding for worker retraining to support the creation of new jobs through the reuse of vacated military facilities. While this specific configuration did not emerge under the DCA demonstration projects, several demonstration projects tried to link the achievement of worker mobility and economic development objectives by encouraging the transfer of technology and worker skills from defense applications to commercial applications; e.g., through small business startups or joint ventures between defense and non-defense firms. These projects served as examples for ways in which further efforts can coordinate worker retraining/re-employment and economic development activities.

EVALUATION OBJECTIVES AND METHODS

The evaluation of the Defense Conversion Adjustment Demonstration had three major objectives:

(1) To describe and document the implementation and short-term outcomes of the demonstration projects as they relate to the specific problems faced in defense-related dislocations.

(2) To identify exemplary approaches to the specific problems faced in defense-related dislocations.

(3) To identify the factors that facilitate or impede the success of various responses to defense conversion.

To accomplish these objectives, the evaluation design required the collection of qualitative and quantitative information to describe or evaluate (1) the design of the demonstration projects, (2) how the demonstrations evolved over time to meet the distinct challenges posed by their environments and individual objectives, and (3) what they accomplished. While data collection procedures were designed to provide comparable data across the projects, they also maintained enough flexibility to capture the unique and innovative features of each project.

DATA COLLECTION AND ANALYSIS

Qualitative data on project designs, implementation experiences, and outcomes were collected through intensive site visits to each of the 19 demonstration projects. These visits were supplemented by ongoing reviews of relevant written materials, such as project proposals and quarterly progress reports submitted to DOL. This report includes findings based on two or three site visits to each DCA demonstration project conducted over the period of its operation.

Qualitative data collection was guided by a series of written topic guides[12] for discussions with:

- Project administrators and other demonstration partners.
- Participating firms.
- Worker representatives.
- Agencies or individuals involved in the design or delivery of business services to firms.
- Agencies or individuals involved in the design or delivery of services to dislocated or at-risk defense industry workers.

[12] We developed different versions of the data collection tools for use at projects testing different defense conversion approaches. For some discussion guides, we developed two versions—one for projects serving at-risk workers and one for projects serving dislocated workers. For other guides, we designed separate sections or modules within a single guide for use at projects testing particular approaches.

- Selected workers receiving demonstration services.
- Representatives of other community agencies.

While on site, field researchers also reviewed written case file records for individual participants and written curriculum materials for worker services.

ADDITION OF SUPPLEMENTARY SITES

Although there were 19 DCA demonstration projects included in the evaluation, it was difficult to identify patterns of success and failure because the projects represented widely varying defense conversion approaches. There were relatively small numbers of examples of each approach—dislocation aversion, worker mobility and community planning—and large variations across projects within groups. For this reason, we sought and received authorization to supplement the research by studying a limited number of *non*-DCA demonstration projects. These projects used alternative sources of federal funding to support defense conversion activities. The supplementary sites enriched the findings regarding defense conversion activities by (1) confirming the identification of successful patterns in service design and delivery, (2) adding information about strategies and designs that were not represented among the demonstration projects, and (3) increasing our ability to identify and address common issues in the defense conversion process.

For supplementary sites, we sought projects that:

- Used job-training or reemployment services as a strategy to pursue readjustment objectives or involved human resource agencies in planning responses to defense downsizing.

- Used public funds to support some aspect of services or training.[13]

- Demonstrated clear progress toward achieving conversion objectives.

[13]Vision 2020, a supplementary project visited during the first phase of the evaluation, was funded solely by the private firm that undertook this project.

After reviewing the literature and soliciting nominations from knowledgeable respondents, we selected 17 supplementary sites, and conducted site visits to 12 of these sites. Visits to two dislocation aversion supplementary projects were conducted during the first 18 months of the evaluation; visits to three community planning projects, four dislocation aversion projects and three worker mobility projects were conducted during the last year of the study. Five additional projects, two representing the worker mobility approach and three representing the community planning approach, were contacted for in-depth telephone interviews.

OVERVIEW OF THE FINAL REPORT

This report contains three volumes and an Executive Summary. Volumes I, II, and III are each devoted to a single demonstration approach—community planning, dislocation aversion, and worker mobility. Each volume contains a cross-site discussion of the projects' key commonalities and differences, their success in meeting their objectives, and suggestions of strategies that emerge from the case studies. Each volume also includes detailed project profiles describing DCA demonstration projects pursuing the approach addressed by that volume, and one-page fact sheets describing both the demonstration projects and the supplementary sites from which data were collected.

OVERVIEW OF THIS VOLUME

Volume I presents the findings from a cross-site analysis of the DCA demonstration projects and supplementary projects that used the community planning approach. Chapter II provides an overview of the key features of the community planning projects, including discussions of their contexts, goals and objectives, organizational roles and relationships, information-gathering, development and selection of strategies, and outcomes. In Chapter III, we present key cross-site findings about successful and unsuccessful designs and strategies and how these may be applied in future community planning projects. Chapter IV presents conclusions based on the experiences of the projects and discusses implications for policymakers and program planners. Additional information on the individual projects discussed in this report is found in Appendix A, which includes detailed project profiles for the DCA demonstration projects that included community planning approaches. One-page fact sheets describing the supplementary projects are found in Appendix B.

CHAPTER II

AN OVERVIEW OF THE COMMUNITY PLANNING PROJECTS

II. AN OVERVIEW OF THE COMMUNITY PLANNING PROJECTS

INTRODUCTION

In this chapter, we provide a descriptive overview of the Defense Conversion Adjustment (DCA) community planning projects. Among the 19 DCA demonstration projects, five tested the community planning approach. Grants were awarded to help communities plan for and respond to the impact of a defense-related facility closure or downsizing and to provide the employment and training community with a voice in the planning process.

Grants for the DCA demonstration were awarded during two rounds of funding. Only two community planning demonstration projects were funded under the first round of grant awards; both operated for eighteen months from January 1993 to July 1994. These projects were in Philadelphia, Pennsylvania, and Merced, California. Three new planning projects were funded for the period January 1994 to July 1995. These projects were in Charleston, South Carolina, Seneca County, New York, and New England.

These five demonstration projects tested a range of community planning strategies to respond to the dislocation event in their communities. Readers interested in the complete details of each project's demonstration experience are encouraged to read the individual "project profiles" in Appendix A. Figure II-1 provides a summary of the key features of each project. In brief, these are the five projects:

- The Philadelphia Community Planning Project (Pennsylvania) responded to the closure of the Philadelphia Naval Complex, which resulted in a loss of employment for 11,000 civilian defense workers. Project planners developed strategies to assist workers and planned and implemented an on-base transition center.

Figure II-1

AN OVERVIEW OF THE DCA COMMUNITY PLANNING PROJECTS

Project Location/Grantee/ Grant Amount	Precipitating Event/Size of Layoffs	Project Goals	Key Features/Activities	Key Outcomes
Castle Air Force Base Closure Defense Conversion Adjustment Project Merced, California Merced County Department of Economic and Strategic Development $56,000	Closure of Castle Air Force Base scheduled for Fall 1995. Expected layoffs for 1,200 workers.	Mitigate the impact of the base closure on the Merced County business community.	▸ Hired a consultant to prepare a report on economic development strategies for the community. ▸ Planned and provided training and consulting to area businesses in government contracting and international trade.	▸ Prepared a report on economic development strategies for the County. ▸ Provided information and assistance to 81 area businesses affected by the base closure.
Philadelphia Naval Base and Shipyard Complex Planning Project Philadelphia, Pennsylvania Pennsylvania Department of Labor and Industry $464,198	Drawdown of the Philadelphia Naval Base scheduled to be complete in early 1996. It is estimated that 11,000 workers will be laid off.	Lay the groundwork for an effective response to the needs of the employees and community in response to the downsizing of the Naval Base.	▸ Convened a group of project partners to participate in the planning effort. ▸ Supported plans for a service center to assist impacted workers. ▸ Assessed skills of impacted workers.	▸ Secured over $10 million in grants to fund services for dislocated workers. ▸ Opened the Naval Base Career Transition Center to assist dislocated Base workers.
Charleston Naval Complex Community Planning Project Charleston, South Carolina Charleston County Employment and Training Administration $500,000	Drawdown of the Charleston Naval Complex scheduled to be complete in 1996. Approximately 10,000 civilian workers will be laid off.	Plan a community response to the dislocations associated with the downsizing of the Naval Complex that promotes economic development and revitalization.	▸ Formed a group of organizational project partners. ▸ Surveyed 3,000 area employers and conducted 100 in-depth interviews with key employers. ▸ Gathered information to assess the impact of the downsizing and the capacity of the community's existing supportive services. ▸ Planned a database describing area resources for workers and employers needing assistance. ▸ Hosted two forums to discuss linkages between employment and training and economic development entities. ▸ Planned two worker training programs (entrepreneurial training and a manufacturing familiarization program).	▸ Developed a detailed Community Plan with recommended strategies. ▸ Prepared a "Business Check-Up Kit" to help businesses determine whether they were in need of assistance and where to get that assistance. ▸ Prepared a report describing characteristics of 2,605 dislocated workers. ▸ Pilot tested two training programs for dislocated workers (20 workers participated). ▸ Developed new relationships among planning partners.

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Figure II-1 ***[continued]***

Project Location/Grantee/ Grant Amount	Precipitating Event/Size of Layoffs	Project Goals	Key Features/Activities	Key Outcomes
New England Defense Conversion Planning and Technical Assistance Project Bucksport, Maine Training and Development Corporation $499,941	Massive dislocations within the six participating states, as a result of downsizing of defense sector. Approximately 25% of defense-related jobs were lost in these states between 1989 - 1994.	Promote regional cooperation and consensus building to address economic decline throughout New England.	▸ Formed a task force of nearly 70 members. ▸ Collected information about impact of defense downsizing on the area. ▸ Conducted focus groups with defense firms and at-risk and dislocated workers to assess their needs. ▸ Assessed the capacity of existing education and training institutions to serve employers and workers. ▸ Developed a guide to help workers understand how defense skills apply to the commercial market.	▸ Prepared a final report highlighting recommendations for regional economic development and business retention strategies. ▸ Made recommendations for improving the workforce development and transition system. ▸ Fostered new relationships to develop networks and linkages among retraining and reemployment entities.
Seneca County Community Planning Project New York State Department of Labor/Seneca County Employment and Training Seneca, New York $496,373	Closure of Seneca Army Depot. Loss of 547 civilian workers expected.	Develop a plan to respond to the Depot closure and other economic problems through the collection and analysis of information that could inform a set of recommendations.	▸ Formed several task forces. ▸ Conducted analysis of area labor force. ▸ Surveyed dislocated workers regarding needs and impacts. ▸ Surveyed 250 county employers regarding impacts. ▸ Conducted research on skills in demand by area employers. ▸ Conducted in-person interviews with 90 firms to see how to retain them in the county. ▸ Assessed existing level of cooperation between local governments in the county. ▸ Held a series of community meetings to select an economic development strategy for county.	▸ Prepared a labor force analysis report and guide for planners and service providers. ▸ Recommended improvements for the area's education and training providers. ▸ Developed recommendations on how to retain and expand area businesses. ▸ Developed a set of recommendations to increase coordination and collaboration between local governments in the county. ▸ Conducted a feasibility study for using "tourism" as an economic development strategy.

- The Charleston Community Planning Project (South Carolina) was a tri-county planning project responding to the closure of the Charleston Naval Complex and the resulting loss of 10,000 civilian jobs. The project's activities included recruiting a group of project partners, assessing the impact of the closure, increasing communication between the economic development and employment and training communities, assisting local businesses, planning services for dislocated workers, and preparing a community plan with strategies for an effective community response.

- The Seneca County Community Planning Project (New York) responded to the closure of the Seneca Army Depot, which resulted in the loss of 547 civilian jobs. The project's activities included assessing the impact of the closure, establishing representative task forces to plan a response, developing strategies for economic development, and building leadership capacity among community leaders.

- The Merced County Community Planning Project (California) responded to the closure of Castle Air Force Base, where 1,200 civilian jobs were lost. Activities included assessing the community impact of the closure, assisting local businesses, and developing strategies for economic development.

- The New England Community Planning Project (headquartered in Maine) responded to widespread dislocation from defense downsizing in the six participating states. Activities included establishing a regional Task Force, assessing the needs of workers and businesses, fostering collaboration among business, labor, and educational and political organizations across the participating states, and recommending strategies for action to support regional economic revitalization.

To provide more information about variations in the design, implementation, and effectiveness of the community planning approach, we also collected information about six supplementary projects funded from other sources that undertook community planning efforts in response to a defense-related facility downsizing or closure. One-page "fact sheets" on each of these projects may be found

in Appendix B. Further, Figure II-2 provides a summary of the key features of these six supplementary projects. Each of the supplementary projects are briefly described below:

- The Griffis Air Force Base Community Planning Project (Oneida County, New York), was an OEA-funded planning effort responding to the realignment of Griffis Air Force Base and the resulting loss of employment for 2,300 civilian workers.

- The North Las Vegas Community Planning Project (Nevada) was funded by an Office of Economic Opportunity (OEA) grant to help the City of North Las Vegas respond to the realignment of the Tonopah Test Range, Nevada Test Site, and Nellis Air Force Base, expected to result in the direct loss of 5,039 civilian jobs from the county.

- The Orlando Naval Training Center Community Planning Project (Florida) was funded by an OEA grant to respond to the closure of the Naval Training Center, expected to result in the loss of employment for 2,700 civilian workers.

- The Plattsburgh Air Force Base Community Planning Project (Clinton County, New York) was funded with an OEA grant to respond to the closure of the Air Force Base, which resulted in a loss of work for 800 civilian employees.

- The Rocky Flats Local Impacts Initiative (Greater Denver Area, Colorado) was a planning effort responding to the change in mission for the Rocky Flats Nuclear Weapons Plant and the expected job loss for 4,700 workers. This effort was funded by an EDA grant.

- The Wurtsmith Air Force Base Community Planning Project (Iosco County, Michigan) was funded by an OEA grant to respond to the closure of the Air Force Base and the loss of employment for 700 civilian workers.

The remainder of this chapter is devoted to describing the key features of the community planning projects. This information is organized by the following areas: (1) Project Context;

Figure II-2

AN OVERVIEW OF THE SUPPLEMENTARY COMMUNITY PLANNING PROJECTS

Project Location/Grantee Grant Amount	Precipitating Event/Size of Layoffs	Project Goals	Key Features/Activities	Key Outcomes
Griffis Air Force Base Oneida County, NY Griffis Redevelopment Planning Council Office of Economic Adjustment (OEA) Grant $2,132,128 Oneida County Employment and Training Defense Diversification Program (DDP) Grant $2.6 million	Realignment of Griffis Air Force Base completed September 1995. Approximately 2,300 civilian workers expected to lose their jobs.	▸ Formulate a realistic base reuse plan that will generate jobs and comply with community development needs. ▸ Plan services to meet the needs of dislocated workers.*[a]*	▸ Formed a planning committee and several subcommittees. ▸ Hired consultants to produce aviation study and master plan. ▸ Recruited employment training service partners. ▸ Established a one-stop service center for dislocated workers on base.*[a]* ▸ Surveyed 3,000 area employers regarding impact of realignment and their short-term employment needs.*[a]* ▸ Surveyed civilian base workers regarding their needs.*[a]* ▸ Surveyed base contractor regarding impact of realignment.*[a]*	▸ Produced a master plan and aviation study. ▸ Successfully mobilized additional resources for implementation activities. ▸ Secured a Defense Finance and Accounting Service Center for base reuse. ▸ Have provided services to 880 workers (plan to serve 900 by May 1996).*[a]* ▸ Achieved 84 percent entered employment rate for workers who have terminated services.*[a]*
North Las Vegas Planning Project North Las Vegas, Nevada City of North Las Vegas OEA Grant $50,000	The realignment of the Department of Energy's (DOE) Tonopah Test Range, Nevada Test Site and Nellis AFB. This realignment was expected to result in a loss of 5,039 jobs in the county (Clara) by the end of 1996.	▸ Develop a plan to improve the business environment for North Las Vegas.	▸ Formed a Task Force. ▸ Drafted a Request for Proposal. ▸ Selected a consultant to prepare an Economic Recovery and Diversification Plan.	▸ Produced an Economic Recovery and Diversification Plan. ▸ Implemented a few small-scale physical improvements.
Plattsburgh Air Force Base Plattsburgh, NY DDP Grant $1.3 million Private Industry Council OEA Grant $1.25 million	Closure of Plattsburgh AFB scheduled for September 1995. Approximately 800 civilian employees expected to lose their jobs.	▸ Develop a reuse plan for the base. ▸ Assist dislocated workers.*[a]*	▸ Formed a planning body and several task forces. ▸ Hired a consultant to complete reuse study. ▸ Surveyed businesses and employers regarding the impact of the base closure.	▸ Produced a base reuse plan. ▸ Implementing some of the recommended physical improvements. ▸ Created a Workers' Assistance Center.*[a]* ▸ Served over 500 workers (more than their goal of serving 400 workers).*[a]*

[a] These activities were conducted as separate efforts by the employment and training community and were not part of the OEA-funded planning effort.

Figure II-2 ***[continued]***

Project Location/Grantee Grant Amount	Precipitating Event/Size of Layoffs	Project Goals	Key Features/Activities	Key Outcomes
Rocky Flats Nuclear Weapons Plant Greater Denver Area, Colorado Rocky Flats Local Impacts Initiative (RIFLII) Economic Development Agency (EDA) Grant $112,000	Change in mission for the Rocky Flats Nuclear Weapons Plant. Plant should be in environmental clean-up mode by 1997. Job loss expected for 4,700 civilian workers.	▸ Coordinate local economic development efforts to achieve no net loss of jobs for displaced workers.	▸ Formed a planning body and several task forces. ▸ Gathered information on the skills of impacted workers. ▸ Surveyed area employers regarding their labor needs. ▸ Surveyed national employers regarding emerging industries. ▸ Solicited input and selected strategies.	▸ Produced a workforce reemployability study (comparing worker skills to local labor market demands). ▸ Secured $4 million grant from the Department of Energy. ▸ Implemented an entrepreneurial resource center to help small businesses grow. ▸ Implemented Rocky Mountain Manufacturing and Testing Academy to train in advanced technologies.
Wurtsmith Air Force Base Oscoda, Michigan Office of Economic Development OEA Grant $960,000	Closure of Wurtsmith AFB in June of 1993. Approximately 700 civilian workers dislocated.	Plan for the base reuse and replace jobs and population lost as soon as possible.	▸ Created an Office of Economic Adjustment. ▸ Formed a planning body (23 members) and several subcommittees. ▸ Hired a consultant to work with committee to prepare base reuse plan.	▸ Base Reuse Plan completed and implemented. ▸ Office of Economic Readjustment works with local job training agency to recruit new tenants to the Base. ▸ Successfully recruited 16 new tenants, creating 780 jobs.

(2) Project Goals and Objectives; (3) Organizational Roles and Relationships; (4) Information Gathering Activities; (5) Formulating and Assessing Strategies; and (6) Project Outcomes. In Chapter 3, we present key findings based on the experiences of the community planning projects.

PROJECT CONTEXT

The five DCA community planning projects operated in very different contexts and responded to events of varying magnitude and character. The economic and even geographic context, the nature of the dislocation event itself, and the size of the grant received all set the stage for the planning project's activities. Other characteristics, such as the type and size of employers, growth trends in occupational sectors, and skills and educational levels of the workforce, defined both the limits and opportunities for what the community planning projects could accomplish. For example, projects operating in areas already experiencing economic decline and high unemployment faced different challenges than projects in areas that had emerged from the recession and were experiencing job growth. Additionally, projects working in isolated, rural areas tended to have tighter-knit communities, making consensus and community participation easier to achieve. These same communities, however, faced the challenge of finding qualified consultants and other experts capable of providing technical assistance. In short, an understanding of the contexts in which the DCA projects operated is essential for understanding not only why projects selected particular activities and strategies, but why some projects were more successful than others in carrying out these efforts. Figure II-3 provides the context in which each project operated. The rest of this section describes the different contexts under which projects operated, organized by the following three categories:

- Projects responding to the pending **closure or downsizing of a very large military base**, in an urban or suburban area, causing widespread direct and indirect job losses and economic impacts reverberating throughout the local economy.

Figure II-3

COMMUNITY CONTEXT - DCA PROJECTS

Project/Location	Urban/Rural	Unemployment Rate	Number of Affected Civilian Workers
Castle Air Force Base Merced County, CA	Rural	15% to 20%	1,200
Philadelphia Naval Base and Shipyard Philadelphia, PA	Urban	6% to 7%	11,000
Charleston County Naval Complex Charleston County, SC	Urban/Suburban	3% to 3.5%	10,000
New England Defense Conversion Planning (six states)	Urban/Suburban/ Rural	4% to 6%	114,000
Seneca Army Depot Seneca County, NY	Rural	7.5% to 8%	547

- Projects responding to the pending **closure or downsizing of a relatively small military facility** in a rural, economically fragile area, causing some direct dislocations and strong impacts on the local labor market.

- Projects responding to a significant **downsizing among defense contractors**, causing widespread dislocations in the defense sector and accelerating the rate of decline in the manufacturing sector.

Two of the demonstration projects responded to relatively large scale dislocations of civilian workers as the result of a military base closure or downsizing (Philadelphia and Charleston). The community planning effort in Philadelphia, responding to the closure of the Philadelphia Naval Base and Shipyard, was expected to result in the direct loss of employment for 11,000 civilian workers. At the time the drawdown of the Naval Complex began in 1993, Philadelphia's economy was in decline and had an unemployment rate of 7 percent. The closure of the base was expected to have

devastating impacts on a substantial number of dependent businesses. As a result, it was estimated that the drawdown of the Naval Complex would indirectly cause the loss of 36,000 additional jobs. The DCA demonstration grant ($464,198) was one of several large grants awarded to the community to mitigate the impact of the base closure and the grantee was one of many interested stakeholders, giving rise to significant turf issues. Similarly, Charleston experienced substantial civilian job losses (13,000) as a result of the 1993 Base Realignment and Closure Commission's (BRAC) decision to significantly downsize the Charleston County Naval Complex.[1] This closure was expected to result in the additional indirect loss of 20,356 jobs. However Charleston's labor market, with an unemployment rate between 3 and 3.5 percent, was stronger than Philadelphia's . Charleston County received a community planning grant in the amount of $500,000.

Another two demonstration projects were undertaken as responses to relatively small military base closures in rural areas. In California, the rural County of Merced was awarded a demonstration grant to respond to the closure of Castle Air Force Base. As a result of the closure, approximately 1,200 civilian workers were expected to lose their jobs. Further, the closure was expected to have devastating impacts on Merced's already weak agriculture-dependent economy. The unemployment rate in Merced County was particularly high, averaging between 15 and 20 percent. Merced received a $56,000 demonstration grant for its community planning effort. Seneca County, in upstate New York, is also a rural area, with a very close-knit community. The community received a demonstration grant ($496,373) to respond to the closure of the Seneca Army Depot. The base closure was expected to result in the dislocation of 547 civilian workers. Though Seneca's unemployment rate, between (7.5 and 8 percent) was less than half that of Merced's, it was still higher than the national average at the time (between 6 2 and 7.2 percent).

Finally, one project, the New England demonstration project ($499,941 demonstration grant) was undertaken in response to significant downsizing of defense contractors and the resulting

[1]The naval complex is s group of Navy and other military installations of varying sizes, most of which are located on the Charleston Naval Base, though other smaller installations are distributed around the Charleston area.

widespread dislocations. Throughout the 1980's, these six New England states[2] had benefitted from the highest level of defense spending per capita in any region and had substantially built-up the manufacturing sector. As a result, defense cut-backs during the late 1980's and early 1990's seriously impacted the manufacturing sector and reverberated down to the smaller local suppliers and other dependent firms. By 1994, the defense spend-down had resulted in the direct loss of over 114,000 defense jobs in the region and the loss of over $6 billion to area firms. However, New England's economy improved over the course of the planning effort so that by June of 1994 the unemployment rate averaged between 4 and 6 percent in participating states.

As shown in Figure II-4, the supplementary projects were fairly similar in context to the DCA projects. Only one of the supplementary projects was responding to a medium-to-large scale downsizing of a military facility—the Rocky Flats Nuclear Weapons Plant/Greater Denver Area. Most of the supplementary projects were responding to the pending closure or downsizing of a relatively small military facility. Of those, three were located in relatively rural areas with average or above average unemployment (Griffis Air Force Base in Oneida County, New York ; Plattsburgh Air Force Base in Clinton County, New York; and Wurtsmith Air Force Base in Iosco County, Michigan). Finally, one project was responding to multiple military downsizings resulting in medium-to-large scale dislocations in the area (North Las Vegas, Nevada). Combined, the DCA projects and the supplementary projects form a sample representing a variety of community contexts.

PROJECT GOALS AND OBJECTIVES

The DCA community planning projects all shared a common overall goal. Each of these projects was planning a community response to a defense-related facility downsizing or closure. However, as shown in Figure II-1, three of the projects' overall goal statements indicated their intent to focus on economic development or economic revitalization as part of their response to the facility downsizing or closure (Charleston, New England, and Seneca). The overall goal statements of the

[2]Participating states include: Massachusetts, Connecticut, Rhode Island, Vermont, New Hampshire, and Maine.

Figure II-4

COMMUNITY CONTEXT - SUPPLEMENTARY SITES

Project/Location	Urban/Rural	Unemployment Rate	Number of Affected Civilian Workers
Griffis Air Force Base Oneida County, NY	Rural	6%	2,300
North Las Vegas, NV	Suburban/Urban	Up to 25% in some census tracts of North Las Vegas (4.5% in Las Vegas)	5,039
Orlando Naval Training Center Orlando, FL	Suburban/Urban	4.8%	2,600
Plattsburgh Air Force Base Clinton County, NY	Suburban/Rural	6.5% to 8%	800
Rocky Flats Nuclear Weapons Plant Greater Denver Area, CO	Suburban/Urban/ Rural	7.2%	4,700
Wurtsmith Air Force Base Tosca County, MI	Rural	12% to 13%	700

other two planning projects indicated more narrowly defined plans such as mitigating the impact of a base closure on the business community (Merced) or responding to the needs of workers (Philadelphia). Neither of these projects mentioned economic development as the overall project goal.

In addition to an overall goal statement, the initial DCA proposal required demonstration projects to describe their specific planning objectives. Objectives were typically fairly short statements indicating intended project plans or activities related to the overall project goal. However, projects frequently scaled back these proposed plans or activities over the course of the planning effort. Project objectives do provide us with an indication of the emphasis projects originally placed on various planning activities.

Projects varied substantially in the number of objectives set and the types of objectives specified. The Merced, Philadelphia, and Seneca projects each specified between four and six project objectives. The Charleston and New England projects were more ambitious in the number of objectives they specified, with 10 and 11 objectives, respectively. Collectively, most of the projects' objectives can be grouped under the following five categories:

- Gathering information to better understand workers, employers, the general economic health of the community, or anything else that could be used to inform the community planning effort.

- Formulating economic development strategies to recruit new businesses or bring economic activity to a community.

- Developing business expansion and retention strategies to prevent existing businesses from having to downsize or to help existing businesses grow.

- Planning for and/or delivering services for dislocated workers, including job training, job placement, or other services.

- Creating linkages between workforce development and economic development. These linkages could include plans to bring representatives from both of these areas to the planning table, plans to develop activities that combine job training and job development efforts, or plans to formulate other strategies in which new jobs are linked with workers.

All five DCA projects included objectives to gather some type of information as part of their planning effort (see Figure II-5). Common information-gathering objectives included plans to assess worker needs, as indicated by the Seneca, Charleston, and Philadelphia projects. Similarly, both Charleston and Philadelphia planned to conduct an assessment of employer needs. Merced's information-gathering objective was vague, indicating general research for economic development options and a community plan. On the other hand, Charleston's intent to create a consortium dedicated to gathering and providing information to assist job training, job development, and other social services agencies with their future planning efforts was particularly unique. New England proposed to collect information from existing reports about the impact of defense downsizing the region's economy. A particularly innovative information-gathering objective was New England's objective to collect information on the capacity of education and training institutions to serve workers and employers.

Three of the five projects included an objective to develop economic development strategies as part of their planning effort (Merced, Seneca, and New England). The Merced project indicated its intention of preparing a report providing economic development options for communities surrounding the base. Similarly, the Seneca project had plans to develop strategies promoting economic diversification. The New England project highlighted its intention to produce recommendations for regional action to accelerate the region's commercial capacity.

All the demonstration projects except Philadelphia specified objectives to assist, retain, and/or expand area businesses. For example, both Merced and Charleston planned to provide direct services to impacted workers. Seneca's objectives included developing strategies to promote economic diversification among area businesses. New England proposed an objective to make the region a better environment for new and existing businesses.

Figure II-5

OBJECTIVES - DCA PROJECTS

Project/ Location	Gather Information	Formulate Economic Development Strategies[a]	Plan Business Retention and Expansion and Business Assistance Strategies	Plan Services for Dislocated Workers	Create Linkages between Workforce and Economic Development
Castle Air Force Base Merced County, CA	✔	✔	✔	✔	
Charleston County Naval Complex Charleston County, SC	✔		✔	✔	✔
New England Defense Conversion Planning (six states)	✔	✔	✔		✔
Philadelphia Naval Base and Shipyard Philadelphia, PA	✔			✔	
Seneca Army Depot Seneca County, NY	✔	✔	✔		✔

[a] Economic development strategies were differentiated from business retention and expansion in that they focused on recruiting businesses to the area.

Both Charleston and Philadelphia included a specific objective to plan services for dislocated workers. In fact, both had the specific objective of planning a one-stop worker assistance center on-base.

Three of the five projects included objectives to foster linkages between economic development and workforce development (Charleston, New England, and Seneca.) Promoting these types of linkages is a new and creative idea for most communities. All three of these projects set an objective to foster collaborative relationships between job training and job development entities in order to better serve affected workers. Seneca also included a particularly innovative objective to develop specific job training efforts linked to economic development efforts.

Some projects set objectives that did not fit specifically under the five categories identified above. Both the Seneca and Philadelphia projects set an objective to promote the replication of planning efforts in the future. New England insightfully specified its intent to mobilize additional resources for implementation of its planning efforts. Finally, Seneca intended to help strengthen local leadership.

With regard to goals and objectives, the supplementary projects differed from the DCA projects in several important respects. Many of these differences were due to having a different primary funding source. All but the Rocky Flats project was funded with an Office of Economic Adjustment (OEA) grant, administered by the Department of Defense.[3] The OEA has been the single most important federal agency to support community planning responses to base closures since defense downsizing began in the 1980's. Once a military facility is defined as a BRAC closure, it automatically becomes eligible for OEA funding. OEA grants come with a whole set of procedures and policies that are very different from the less-regulated DCA demonstration grants. Among other regulations, OEA grants require that a widely representative planning body, usually named a Local

[3] The supplementary projects were selected on the basis of receiving both an OEA grant and a service grant from the Department of Labor such as a Defense Diversification Project grant or a regular Defense Conversion Adjustment grant. It was the interaction of the actors and activities involved in administering these two funding sources that we were interested in examining, in the hope of identifying innovative linkages between economic development issues and human resource issues.

Redevelopment Authority (LRA) be established following certain protocols, and that this body be authorized to plan for and oversee facility reuse.

While the DCA projects often had to coordinate their activities with OEA-funded activities such as the LRAs, the supplementary projects we studied were, for the most part, dominated by the OEA grant and its requirements. Their primary goal was to formulate economic development and base reuse strategies and plans (Figure II-2). For the most part, these projects were content to let the employment and training communities worry about providing direct services to affected workers.

The Rocky Flats project, on the other hand, was funded with an Economic Development Agency (EDA) grant, and was not required to respond to immediate physical reuse issues. This project set an overall goal early on, of coordinating local economic development efforts to achieve no net loss of jobs for displaced workers. The specific objectives identified by the project were developed over the course of the planning effort as more information about the local situation was gathered (Figure II-6).

Figure II-6

OBJECTIVES - SUPPLEMENTARY SITES

Project/ Location	Gather Information	Formulate Economic Development Strategies*[a]*	Plan Business Retention and Business Assistance Strategies	Plan Services for Dislocated Workers*[b]*	Create Linkages between Workforce and Economic Development
Griffis Air Force Base Oneida County, NY	✔*[b]*	✔		✔	
North Las Vegas, NV		✔	✔	✔	
Orlando Naval Training Center Orlando, FL	✔*[b]*	✔		✔	
Plattsburgh Air Force Base Clinton County, NY	✔*[b]*	✔		✔	
Rocky Flats Nuclear Weapons Plant Greater Denver Area, CO	✔	✔	✔	✔	✔
Wurtsmith Air Force Base Iosca County, MI		✔		✔	

[a] For all of the supplementary projects except Rocky Flats and North Las Vegas, economic development strategies were formulated for the base reuse plan.

[b] These objectives were proposed by the job training community apart from the overall community planning effort.

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ORGANIZATIONAL ROLES AND RELATIONSHIPS

The following section describes how the planning projects varied in terms of organizational roles and relationships. More specifically, we discuss the differences in project leadership and organizational partners, whether a project joined or formed a planning body, and types of planning participants recruited.

PROJECT LEADERSHIP

Leadership of community planning projects—the type of organization housing the leadership, the management style of the leaders, the position of the leadership in the local community — was a key dimension of variation among the projects, and a factor explaining many differences in project design, implementation experiences, and outcomes. When the Department of Labor chose to award planning grants it created unprecedented opportunities for organizations that have not traditionally been involved with planning to not only participate in, but lead such efforts. As shown in Figure II-7, in all but one of the planning projects (Merced), an employment and training organization was the lead agency for the planning efforts. One project was led by a JTPA service provider (New England). Two projects were led by the local PIC of substate area (Seneca, Charleston). And the fifth project was led by a state Department of Labor's Dislocated Worker Unit (Philadelphia).

Figure II-7

KEY PROJECT PARTICIPANTS - DEMONSTRATION PROJECTS

Project/ Location	Employment and Training Community	Economic Development	Educational Institutions	Other Local Government Entity	Management/ Labor Representatives	Business Associations	Private Consultants
Castle Air Force Base Merced County, CA		✔*	✔	✔			
Charleston County Naval Complex Charleston, SC	✔*	✔		✔	✔	✔	
New England Defense Conversion Planning (six states)	✔*	✔		✔	✔	✔	✔
Philadelphia Naval Base and Shipyard Philadelphia, PA	✔*						
Seneca Army Depot Seneca County, NY	✔*	✔	✔	✔			✔

* Indicates lead agency

The role project leaders played in the planning efforts varied significantly across projects. Some project leaders were very proactive, actively participating in planning activities themselves: setting agendas, designating task forces, recruiting committee members, selecting and supervising consultants. The leaders of the projects in Seneca and New England, and, to a somewhat lesser extent, Philadelphia, were the real "hub" of most activities. The leaders of other projects took on more of a facilitating role, defining relationships between project partners, ensuring the flow of information, keeping schedules, documenting progress, and reporting to DOL (Charleston, Merced). On the whole, where the leaders were strong, well-positioned in the community, and directly involved in the planning process, projects were more able to stay on track in pursuit of their objectives.

ORGANIZATIONAL PARTNERS

The community planning projects all included a set of organizational partners that would assist in the effort. The type and number of organizations varied widely across the projects (Figure II-7). The demonstration projects in New England and Charleston each had a very diverse group of partners. In these projects, project leadership played an important role in bringing together these non-traditional project partners. The Charleston project included partners from economic development agencies, other government entities, and business associations. The New England Project, led by an employment and training service provider, worked closely with a private consulting company, organized labor, universities, business associations and other state agencies.

Although the Seneca project recruited participants for its many task forces from a wide range of institutions, the project was led by a single agency, the Department of Employment and Training. The Philadelphia project did not partner with other organizations other than the local PIC and their consultant, the university.

Three of the five projects included active participation on their planning bodies by both economic development and employment and training representatives (Charleston, New England and Seneca). This linking of workforce development and economic development efforts fulfilled one of the key elements of successful planning approaches.

ESTABLISHING OR JOINING A PLANNING BODY

One of the first steps taken by communities engaged in large-scale planning efforts is to set up a widely representative group of stakeholders who can collect and weigh information, and consider and implement strategies. Communities often adopt a "commissioners' model," where one planning body breaks down into topic-specific work groups or task forces, each of which report to the upper body. Other communities avoid sub-committees, and try to keep the planning body small and effective as a single work group. In either case, past studies have shown that the single most important step a community can take when gearing up to develop a cohesive response to an event such as a base closure is to ensure that an action-oriented group is formed that can promote consensus among oppositional groups and that has the power to influence or make decisions.[4]

Whether the DCA projects sought to establish a planning body or attempt to join an existing one depended significantly on whether or not there were other planning efforts already underway in the community. In three out of the five demonstration projects base reuse efforts were underway in the community at the time the demonstrations were getting underway (Merced, Philadelphia, and Charleston). Rather than duplicating planning efforts, Charleston opted to develop a small group of key planning partners who would participate in or contribute to the overall planning effort. The Philadelphia demonstration project went through several phases in this regard. It had originally intended to form its own community planning body, but found that another OEA-funded Mayor's Commission was already forming at the time the grant was awarded. In response, DCA project participants sought to participate by joining the task force that was set up by the Mayor's Commission to focus on employment and training issues. When this group broke up, the DCA project used the Rapid Response mechanism, a labor-management committee overseeing transitional assistance, as its planning body. The Dislocated Worker Team functioned through the remainder of the demonstration period as the body empowered to design services to workers dislocated from the Shipyard and Base. Merced had no formal planning body of its own and did not actively participate in any ongoing efforts.

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[4]See B. Lall and J.T. Marlin, *Building a Peacetime Economy*. Boulder: Westview, 1992, Chapter 5.

Projects with no community planning effort underway at the time the grant was awarded formed new planning bodies (New England and Seneca). Though some of the states included in New England's demonstration projects were in the process of planning base reuse strategies, there were no competing *regional* planning efforts. Similarly, the OEA-funded base reuse effort did not start in Seneca until the very end of the demonstration activities, and the DCA grant was for a long time "the only game in town."

PLANNING PARTICIPANTS

The community planning projects were quite different from each other in terms of the number, background and expertise of the men and women whom they recruited or invited to participate on committees and task forces, and in the role these participants played (see Figure II-7). The composition of the planning groups depended, of course, on the goals and objectives of the projects. For example, the Seneca project set up several task forces, overseen by a group of leaders. Each task force had broad representation from the community, and always included important, influential leaders. For example, the Business Retention and Expansion Task Force included employers, and the chair of the Chamber of Commerce. Setting up these task forces and identifying membership consumed substantial resources and time in the beginning of the project. The grantee for the New England project spent months identifying individuals to belong to the 70-member Task Force that would lead the effort.

ORGANIZATIONAL ROLES AND RELATIONSHIPS AMONG THE SUPPLEMENTARY SITES

In some aspects, organizational roles and relationships differed between supplementary projects and demonstration projects (Figure II-8). While the DCA projects were generally led by organizations belonging to the employment and training community, all of the lead agencies for the supplementary sites were non-employment and training, local government entities (e.g., the Mayor's Office, County Commissioner). Again, this was largely a function of the type of funding supporting planning in these communities. OEA grants tend to be awarded to leading political entities with ties to economic development agencies.

Figure II-8

KEY PROJECT PARTICIPANTS - SUPPLEMENTARY SITES

Project/ Location	Employ-ment and Training Com-munity	Economic Develop-ment	Educa-tional Institu-tions	Other Local Govern-ment Entity	Manage-ment/ Labor Representa-tives	Business Associa-tions	Private Consultants
Griffis Air Force Base Oneida County, NY	✔[a]	✔		✔*			✔
North Las Vegas,NY	✔	✔*	✔	✔		✔	✔
Orlando Naval Training Center Orlando, FL	✔[a]	✔		✔*	✔	✔	✔
Plattsburgh Air Force Base Clinton County, NY	✔[a]	✔		✔*		✔	✔
Rocky Flats Nuclear Weapons Plant Greater Denver Area, CO	✔[a]	✔	✔	✔*	✔	✔	✔
Wurtsmith Air Force Base Tosca County, MI	✔	✔*		✔		✔	✔

* Indicates lead agency

[a] Participated on a sub-committee to the main planning body for the community planning project, but not on the main planning body and not a key project partner.

Finally, in sharp contrast to the demonstration projects, the involvement of the employment and training community in four out of six of the supplementary projects was limited to participation on a topic-specific sub-committee on human resources. These sub-committees were often separated from the full planning process and sometimes worked in isolation from the other work groups. An exception to this pattern was the Rocky Flats project, where sub-committees participated in real work and were empowered to make decisions.

INFORMATION GATHERING

Community planning efforts are shaped by the planning participants' understanding of the community's needs. Therefore, one of the most crucial activities for a planning effort is the process of gathering information. Information-gathering efforts include collecting new information, synthesizing existing information, and reviewing and summarizing this information for community planning participants and other interested parties. This information then becomes the base from which effective community response strategies can be developed. Without this information, projects are making decisions based on hunches or best guesses.

All of the demonstration projects pursued information gathering efforts over the course of their planning efforts. The specific types of information projects gathered varied somewhat, as did the way information was gathered, and by whom. Figure II-9 summarizes the types of information-gathering activities engaged in by the demonstration projects. Most of these activities fell under the following three broad categories:

- **Worker Needs/Skills Assessment.** Information-gathering activities undertaken to assess the needs and skills of impacted workers helps focus strategies designed to help these workers find high quality reemployment outcomes. Some types of useful information include understanding the impacted population's educational achievement, wages, intentions to remain in the area, salary expectations, and interest in training opportunities.

- **Employer Impacts/Labor Needs Assessment**. Information-gathering efforts can also focus on employers in a community. To address the needs of businesses impacted by a facility downsizing or closure in a community, information is needed with regard to the number and type of businesses impacted, the types of impacts experienced, and business specific needs. Another use for information-gathering efforts with area employers is gaining an understanding of the local demand for labor and the types of skills sought. This information can be used to try to link training efforts with employer needs.

- **General Assessment of Local Economic Trends**. Information on general economic trends within a community can also effect the types of strategies most useful for a community response. For example, this type of information can help a community determine whether an existing employment sector is growing and thus, whether strategies should be developed to build on this growth.

Figure II-9

INFORMATION GATHERED - DCA PROJECTS

Project/Location	Surveyed Workers/ Assessed Worker Skills	Employer Impacts/ Employer Labor Needs	Local Economic Trends
Castle Air Force Base Merced County, CA		✔	✔
Charleston County Naval Complex Charleston County, SC	✔	✔	
New England Defense Conversion Planning (six states)	✔	✔	✔
Philadelphia Naval Base and Shipyard Philadelphia, PA	✔	✔*[a]*	
Seneca Army Depot Seneca County, NY	✔	✔	✔

[a] Started but did not complete this activity.

Among the DCA projects, four of the five gathered information on worker needs. Of these four, three collected information to help design services to fill gaps in current worker services (Charleston, New England, and Seneca.) Two of the four focused on assessing worker skills with the intent of matching workers' skills to the labor demands of area employers and to better understand the training needs of workers to facilitate their reemployment (Philadelphia and Charleston). These two sub-types of information-gathering efforts were not mutually exclusive.

Each of the four projects conducting information-gathering efforts on the needs and skills of dislocated workers employed different methods for their research activities. Seneca hired a consultant to conduct a telephone survey of impacted workers (and had a somewhat low response rate of 48 percent). Charleston used an existing survey form from the Naval Shipyard's Transition Center and distributed these forms to the dislocated workers without the assistance of a consultant. To minimize costs, New England met with focus groups of impacted workers to collect information on worker needs. Finally, Philadelphia used consultants from local universities to research existing personnel records to analyze worker skills.

Employer impact assessments were conducted by four of the five demonstration projects to identify at-risk businesses and determine means for meeting employer needs (Charleston, Merced, New England, and Seneca). Philadelphia tried to conduct a particularly complex information-gathering effort by linking an employer labor needs assessment with their worker skills assessment. This project intended to use the information collected to inform training providers about training needs for dislocated workers and to facilitate reemployment efforts; however, this effort turned out to be too costly to generate useful results (as described below).

Projects varied widely on their methods for gathering data related to employer impacts and labor needs. Two projects conducted mail surveys of area employers (Merced and Charleston). Charleston conducted this activity with the help of project partners experienced in survey activities. Merced proceeded without the benefit of such expertise and had a dismal response rate. As mentioned above, university-based consultants in Philadelphia were unable to complete their phone survey with area employers, due to the cost of the activity. New England held low-cost focus groups with area businesses. Among the most innovative approaches to information gathering was tried by the Seneca project, which hired consultants to train community task force members in interviewing techniques. Task force members conducted in-person interviews with area businesses. These personal meetings between task force members and business owners provided a lot of insight for their development of community strategies for business retention and expansion and allowed the task force to quickly respond to any immediate needs of businesses in the area. For example, one interviewer was able to work with a local utility company to respond immediately to the needs of a local business

person. This type of personal attention really fostered a positive relationship in the community to the planning effort.

For the most part, information gathered on the general economic health of a community was used to provide background information to planning participants and to help inform community response strategies. Three of the demonstration projects gathered information for this purpose (Merced, New England, and Seneca.) All of the projects that gathered information on local economic trends used existing information. Merced used a university-based consultant to gather and analyze this data, Seneca used a local governmental research agency, and New England's planning participants collected pre-existing reports.

Finally, a few projects conducted innovative-information gathering efforts that did not fall under any of the three categories described. The New England project gathered information to understand and describe gaps and bridges between defense workers' skills and skills needed for work in the private sector. New England also conducted research on the existing capacity of employment and training providers to serve dislocated workers. Both Seneca and New England conducted research on emerging demand occupations and the skills required in these fields.

The supplementary projects varied from the demonstration projects with regard to information gathering, in that much of their efforts were focused on a general assessment of local economic trends (see Figure II-10). Five of the six supplementary projects included some background research on existing conditions in their base reuse plans. Private consultants typically collected and reported this information. Only two projects (Plattsburgh Air Force Base and Rocky Flats Local Impacts Initiative) gathered information on worker and employer needs. Plattsburgh's Human Resources sub-committee collected this type of information as part of the broader planning effort; however, the broader planning effort showed little interest in the findings. Griffis Air Force Base also collected this type of information, but it was collected specifically to inform the grant application for worker services and done independent of the broader community planning effort.

Figure II-10

INFORMATION GATHERED - SUPPLEMENTARY SITES

Project/Location	Surveyed Workers/ Assessed Worker Skills	Employer Impacts/ Employer Labor Needs	Local Economic Trends
Griffis Air Force Base Oneida County, NY	✔[a]	✔[a]	✔
North Las Vegas, NY			✔
Orlando Naval Training Center Orlando, FL			✔
Plattsburgh Air Force Base Clinton County, NY	✔	✔	✔
Rocky Flats Nuclear Weapons Plant Greater Denver Area, CO	✔	✔	
Wurtsmith Air Force Base Tosca County, MI			✔

[a] Information gathering efforts conducted by the employment and training community, not part of the OEA planning effort.

Information-gathering efforts by the Rocky Flats project resembled the most innovative efforts of the demonstration projects. For example, Rocky Flats gathered information on the skills of dislocated Nuclear Weapons Plant Workers using existing personnel records (this turned out to be particularly time-consuming). The project then hired a consultant to conduct a labor-needs survey of area businesses in the employment sectors most appropriate given the workers' skills. The results were then published, indicating the names of specific employers seeking employees and the specific skills those positions demanded. Both dislocated workers and the counselors at the workers assistance center were mailed a copy of this report. Additionally, the consultant conducted phone interviews with national employers in emerging fields to determine if Colorado provided an appropriate business environment for any particular new businesses, this information was used to formulate economic development strategies.

FORMULATING AND SELECTING STRATEGIES

To achieve their planning goals, projects had to formulate and select feasible strategies to respond to their community needs. Once projects gathered and disseminated relevant information, planning participants were able to develop informed strategies. Communities then needed to reach consensus on which strategies were most feasible. These strategies could then be presented as part of a community plan and shared with an appropriate audience that has the authority to implement the strategies proposed.

Demonstration projects had a variety of approaches to the task of formulating and selecting strategies. Projects varied with respect to when strategies were formulated during the planning process, how these strategies were formulated, how the appropriate strategies were selected, and what particular types of strategies were selected.

Three of the demonstration projects formulated and selected strategies as part of their initial project objectives (submitted in the DCA demonstration proposal), prior to any information-gathering activities (Merced, Philadelphia, and Charleston). Merced's objectives identified the specific type of assistance the project intended to provide to area employers, specifically to assist employers to expand their business with government contracting and international trade. DOL required that the project survey area businesses to determine how many expected to be impacted by the closure of the Air Force Base and whether they would be interested in receiving this particular type of assistance. Survey results indicated that relatively few employers expected the closure to impact them, and still fewer were interested in the specific training being offered. However, Merced never revised its strategies and offered the services they originally planned. In contrast, Charleston was able to successfully revise its strategies when information gathered as part of the planning effort indicated its strategies might not meet community needs. For example, the survey of area employers Charleston conducted indicated that the rapid response services the project planned to provide to naval subcontractors would not help prevent layoffs as they hoped, because most of the firms had already downsized. Project partners in Charleston used this information to develop a new strategy that was more appropriate for assisting these employers.

Other projects waited until they had gathered information before developing community response strategies (New England and Seneca). Both of these projects used topic-specific sub-committees or work groups to review the collected information and formulate strategies. For example, part of New England's information-gathering efforts included focus groups with area employers, that were designed to help inform the formulation of strategies to improve the area's business environment. A work group comprised of local business leaders and legislative representatives reviewed the results of the focus groups with employers and developed four recommendations aimed at encouraging states to develop region-wide solutions to the problems identified. Specifically, employers noted that there had been little public investment to support entrepreneurial efforts in new technologies, efforts which would result in the creation of new jobs. The work group proposed a strategy to identify and obtain funding for two technology-transfer demonstration projects. In Seneca, after the Business Retention and Expansion Task Force[5] interviewed area employers, Task Force members came up with a series of recommendations to expand and retain businesses. These recommendations addressed taxes, housing affordability, public transportation, and other topics. Further, both the New England and Seneca projects were very committed to reaching consensus on the strategies proposed. For example, New England planning participants even had to reach consensus on the specific wording of the proposed strategies.

Some projects included a feasibility assessment as part of their strategy selection process (Seneca and Charleston). For example, Seneca hired a consultant to conduct a feasibility study on their proposed economic development/revitalization strategy, after the task force reached consensus on the proposal to increase tourism in the area. Charleston selected strategies to develop innovative training programs for dislocated workers. However, rather than implementing these training programs on a broad scale from the start, the project first pilot-tested the training programs to assess how feasible their selected strategies were for assisting workers.

The DCA projects ended up selecting both short-term and long-term strategies, and both innovative and traditional responses to community needs. Short-term strategies focused on the

[5]The Business Retention and Expansion Task Force included local business leaders, county agencies, and locally elected officials.

immediate community needs in response to the facility downsizing or closure, such as services for dislocated workers, services for impacted businesses, and other temporary activities. Long-term strategies included plans to revitalize the local economy and generate economic development. Ideally, the most innovative long-term strategies would link these economic development/revitalization efforts with long-range workforce development planning and activities.

Three of the five demonstration projects developed short-term strategies as part of their planning efforts (Charleston, Philadelphia, and Merced). As mentioned, both Philadelphia and Charleston selected a strategy to respond to the immediate needs of dislocated workers by establishing a one-stop assistance center on base. For Philadelphia, the planning process really focused on preparing for its implementation. For Charleston this strategy was one of several the project selected. Both Merced and Charleston, also selected short-term strategies to respond to the immediate needs of employers. As mentioned, Merced set and implemented a strategy to provide technical assistance to impacted businesses in the areas of international trade and government contracting. Charleston's revised strategy to assist area employers called for the development of a business check-up kit (to assess the health of their business) and a resource guide of services available to them.

Four of the five DCA projects selected long-term strategies as part of their planning efforts (Merced, Charleston, New England, and Seneca). Among the most innovative of these strategies were those developed by New England and Seneca.

Seneca's community planning project produced a set of strategies from each of its main task forces. These included strategies for business retention and expansion (as discussed briefly above), strategies to promote cooperation among local governments, strategies to strengthen and promote Seneca County as an area for tourism, and strategies to develop education and training competencies. Among the most innovative strategies in the last area were those fostering linkages with economic development, such as conducting annual reviews of the area's economic development plans, to make sure that the training offered by education and training providers complements the economic

development efforts. Further, Seneca's strategies to promote the region as a tourism area encouraged economic revitalization and job creation for the region.

The New England planning project selected strategies to improve the region's economic infrastructure (building regional transportation systems and enhancing the region's business environment), as well as strategies for improving the workforce development and transition system. As part of this last strategy, New England proposed to promote the on-going regional collaboration between retraining, reemployment, and other institutions by continuing the information-sharing and networking started during the planning effort.

The process for formulating and selecting strategies was different for the supplementary projects than for demonstration projects. All but one of the supplementary projects (Rocky Flats), had private consultants formulate their community response strategies. These consultants were guided by varying levels of input from the planning bodies and the community at large. Community input played a large role in influencing the strategies proposed by consultants for base reuse efforts at the Orlando Naval Training Center, Griffis Air Force Base, Plattsburgh Air Force Base, and Wurtsmith Air Force Base. However, in North Las Vegas the role of the planning task force was really limited to providing feedback on the ideas developed by the consultant.

In contrast, one supplementary project was particularly innovative in its methods for formulating and selecting strategies. The Rocky Flats project formulated community response strategies by disseminating the results of its information gathering activities through the local media and soliciting proposals from the community to respond to identified community needs. This effort resulted in multiple proposals for community strategies. The three strategies they selected included: (1) providing entrepreneurial assistance to small businesses in employment sectors demanding the skill of the dislocated plant workers; (2) developing a training institution to provide on-going training in advanced manufacturing technology; and (3) marketing Colorado as an international center for environmental technologies, in order to recruit new employers to the Colorado area. All of these strategies were intended to link workforce development efforts with economic development and business expansion and retention efforts. A planning sub-committee then conducted research to

determine whether the strategies made sense. To do this they held focus groups with the local business community and others before proceeding with implementation.

OUTCOMES

The DCA demonstration project offered community planning grantees a unique opportunity to ensure that workforce development issues were on the planning agendas in communities responding to a defense-related facility downsizing or closure. Beyond this overall goal, it was hoped that the planning efforts would achieve some or all of the following outcomes[6]: (1) develop on-going and collaborative relationships between economic development and employment and training communities; (2) produce a plan recommending community response strategies; (3) secure an audience with the authority to implement these strategies; (4) mobilize resources to implement these strategies; and (5) implement or test selected strategies. Figure II-1 identifies the key outcomes the demonstration projects experienced with respect to these desired outcomes. The following discussion provides an overview of how the demonstration projects fared with respect to these outcomes.[7]

DEVELOP COLLABORATIVE RELATIONSHIPS

When the Department of Labor chose to award grants to community planning projects, it opened the door to involving organizations that were new to employment and training issues and created opportunities for the employment and training community to forge new ties with other organizations and institutions. The result confirmed that, given the opportunity, employment and training organizations showed that they are capable and willing to work well beyond their traditional boundaries, and in some cases become strong leaders in their communities.

Of the five demonstration planning projects, three succeeded in fostering new relationships between economic development and workforce development communities (Charleston, New England,

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[6]See the community planning model described in Figure I-1 of this Volume.

[7]For more detailed information on individual project outcomes refer to the project profiles presented in Appendix A.

and Seneca). Specific efforts were made in two of these projects to bring representatives from both entities to the table with the expressed purpose of learning how they could complement each other and collaborate in future activities. In Seneca, the Economic Planning Department was located in the same building as the Employment and Training Department, the DCA grantee. Despite their close physical proximity and common agendas, these two organizations had rarely worked together before the DCA grant was awarded. The Charleston project also attempted to bring together these two spheres. Project leadership hosted two forums to discuss how job training and job creation entities could integrate their services in the areas of business expansion and business recruitment. In these projects, the planning process itself created informal linkages between economic development and job training entities and opened the door for future collaboration.

In contrast, collaborative relationships between economic and workforce development entities did not occur in either the Merced or Philadelphia demonstration effort. The Philadelphia project became almost exclusively focused on planning direct services for affected base workers soon after it began, and the Merced project similarly found no way to integrate its efforts with the employment and training organizations in town.

PRODUCE A COMMUNITY PLAN

For the purposes of the DCA effort, a community plan is defined as any report prepared through a planning effort that contains strategies for a community response to a defense-related facility downsizing or closure. Though all five demonstration projects listed the development of a community plan as an objective for their planning efforts, only four projects ended up producing a community plan (Merced, Charleston, New England, and Seneca). Merced prepared a report with a list of 12 economic development strategies; however it may be inappropriate to call this report a community plan, as it was prepared in isolation by one university-based consultant. Charleston, New England, and Seneca all produced reports based on the recommended strategies produced through their planning processes. Seneca even produced "how-to-guides" to complement each report produced through the planning effort, to assist planners and service providers in other communities with replicating similar activities.

SECURE AN APPROPRIATE AUDIENCE TO CONSIDER COMMUNITY PLANS

Although implementation of project strategies was not an expected part of the DCA-funded demonstration activities, it was hoped that planning projects would be well on their way towards that outcome by the end of the demonstration period. In order for a project's strategies to have a chance of implementation, projects needed to secure an audience with the authority and political position to make implementation decisions. Out of the four demonstration projects that produced a comprehensive community plan (Merced, Charleston, New England, and Seneca) only two projects secured an audience to consider their proposed strategies (Merced and Seneca). Merced presented an oral presentation and a written report to the Joint Powers Authority regarding their proposed economic development strategies. Seneca secured and then lost an audience for its proposed strategies, when a key supporter of the planning effort left his position as head of the County Commissioners. However, Project leadership in Seneca subsequently established its own committee to consider strategies and succeeded in getting the active OEA planning effort to review the projects' reports.

Neither New England nor Charleston succeeded in finding the right audience for their proposed strategies. However, New England had hoped to act in part as its own audience if it could mobilize additional resources to proceed with implementation efforts. By the end of the Charleston project, it was still unclear whether an audience would be identified to review their comprehensive community plan.

MOBILIZE RESOURCES

By the end of the planning process projects should have initiated some activities that would facilitate implementation of their proposed strategies. Securing additional funding for implementation is an important step toward implementation. To date, Philadelphia is the only one of the five demonstration planning efforts that has successfully mobilized additional funding to proceed with implementation efforts. While Philadelphia did not produce a community plan for implementation,

it did plan a one-stop service center for dislocated workers. Through the planning effort, its planning participants secured over $10 million in grants to provide services to dislocated workers.

IMPLEMENT STRATEGIES

The ultimate goal of all of the community planning projects was the eventual implementation of the strategies that were researched, developed, and selected to respond to the facility downsizing or closure. Several projects tried to take steps towards the end of their demonstration period to increase the chances that their recommendations would be realized. These steps included submitting proposals for grants to fund strategies or providing copies of their reports to ongoing planning groups. At the time of this writing, it is too early to assess the extent to which the strategies recommended by the projects will be implemented.

The Philadelphia project worked almost exclusively on planning services and service delivery systems to affected base workers, and was well underway in implementing these strategies by the time the DCA grant was terminated. The Seneca and Charleston projects had submitted their recommendations to groups of policy-makers, and it seemed likely that at least some of their recommendations would be acted on. The New England project had planned to receive funding for a second phase in which they would implement the strategies developed during the first phase, but second phase funding was not secured, and the project had to end on a highly uncertain note. The recommendations that emerged as a result of the Merced project were poorly received by the planning body in that community and were unlikely to be implemented.

CHAPTER III

KEY FINDINGS

III. KEY FINDINGS

INTRODUCTION

Community planning efforts responding to a defense-related facility closure or downsizing are underway across the country. However, workforce development issues are not always given priority in these planning efforts. What made the Defense Conversion Adjustment (DCA)-funded community planning projects unique was their potential for creating linkages between workforce development and economic development efforts in strategies designed to respond to the facility closure or downsizing. It was hoped that creating these linkages would help transform the event of a base closure from a disaster to a rare opportunity for creating a shared vision for community revitalization and growth.

In this chapter we present findings based on the activities and experiences of the five DCA grantees and six supplementary projects in their community planning efforts. Findings are organized under the following headings: project goals and objectives; organizational roles and responsibilities; information gathering; formulation and selection of community response strategies; and implementation. We conclude this chapter by discussing strategies for the employment and training community when participating in community planning efforts.

PROJECT GOALS AND OBJECTIVES

As part of the demonstration grant application, grantees were required to develop overall goals and objectives for their community planning project. While the overall mission for most projects was to respond to the impact of a defense facility downsizing or closure, the specific goals and objectives identified by each project varied considerably. These goals and objectives also played an important role in focusing the planning effort.

Developing an Inclusive Goal Statement

The overall goal statement for a community planning project helps focus the effort and attract the appropriate stakeholders to the planning table. Goal statements that are too narrowly defined exclude potential stakeholders from participating. Goals statements that are too broad can leave stakeholders confused regarding the purpose of the effort and why their participation is needed. In order to develop the desired linkages between workforce development and economic development agendas, it is crucial that the right stakeholders be at the table. Not surprisingly then, we found that the overall goal statement developed by each of the community planning projects turned out to be a good predictor of the success the project would have in carrying out planned activities, including attracting appropriate stakeholders to the planning effort and linking economic development and workforce development agendas.

Finding #1: To attract key stakeholders, focus the planning effort, and foster innovative linkages between workforce development and economic revitalization, projects benefited from a broad goal statement with a general focus on helping the local economy recover from the impacts of defense downsizing. Projects with more narrowly defined goal statements were less likely to achieve their desired outcomes.

The community planning projects that were most successful in their planning efforts included Seneca, New England, Charleston, and Rocky Flats, all of which had inclusive goal statements emphasizing economic recovery. For example, the community planning effort in Seneca identified several broad overall goals for their planning effort, all related to economic revitalization in response to the pending closure of the Army Depot. This general focus lead the grantee (Seneca County Employment and Training) to recruit key project partners including Seneca County Department of Economic Development and Cornell University and a group of diverse planning task force participants from the community. Similarly, the New England project rallied together key leaders from several states in areas such as economic development, employment and training, education and labor with its broad mission to form the foundation for a common economic adjustment process throughout New England.

In contrast, some grantees set overall goal statements that lacked a general economic recovery focus. These grantees were less successful at recruiting diverse and important stakeholders. Without those key stakeholders it was difficult to develop desired linkages between economic development and the employment and training communities. The DCA project in Philadelphia originally intended to have a broad community planning focus. However, the DCA grant was only one of several large grants awarded to the community to mitigate the impact of the base closure. As the DCA project was getting underway, the Mayor of Philadelphia started a separate broadly focused community planning effort. As a result, the DCA planning effort was limited to a much narrower service planning role and the grantee was only able to attract traditional job training providers as project partners (State Dislocated Worker Unit and the Philadelphia Private Industry Council (PIC).) Since the DCA project participants were not invited into the mayor's larger economic development planning effort, it is little wonder that no linkages between economic development efforts and workforce development efforts were made.

Merced's overall planning goal focused solely on providing services to area businesses that expected to be impacted by the closure of Castle Air Force Base. Again, the narrow focus of the planning effort limited the effort to two economic development partners (the Merced County Department of Economic and Strategic Development (grantee) and the Center for International Trade Development). A professor from the University of California at Berkeley was also recruited to assist with information gathering activities. Again, no linkages were developed between economic development and workforce development efforts.

SETTING FEASIBLE PROJECT OBJECTIVES

The specific planning objectives set by grantees in their original proposals were often overly enthusiastic and unrealistic. As a result, projects were forced to reevaluate and scale back these objectives over the course of their planning process, sometimes to the detriment of the overall effort. One lesson from this experience is that specific project objectives should be developed as part of the planning process rather than before the effort has gotten underway. Developing project objectives when all project participants are at the table creates a necessary sense of ownership and commitment

to these objectives and may lead to more realistic objectives being set. In addition to this overall observation, the planning projects' experiences provided several findings with regard to setting project objectives.

Differentiating Between Strategies and Objectives

In their proposals, some projects prematurely committed themselves to specific strategies they planned to implement and defined these as "objectives". This created a problem where projects specified solutions before going through a planning process to determine whether those solutions made sense.

Finding #2: Planning objectives were most useful when they were clearly defined, but not so specific that they detailed strategies to pursue before any information gathering efforts had taken place.

The Merced project offers an example of how its planning objectives actually specified strategies much too early in the planning process, which proved to be particularly problematic. A key planning objective in Merced's grant application described how the project would provide training and consultation to area businesses in two areas: international marketing and government contracting. However, when this objective was set, the project had no information regarding how many businesses were impacted by the closure of the Air Force Base, nor how many of those firms would be interested in the training they specified. Without this information, there was no way of knowing whether this strategy would best meet the needs of affected employers. In fact, interest in these specific training areas turned out to be quite low.

Similarly, Charleston's community planning objectives specified that they would provide rapid response services to all Naval Complex subcontractors to help them avert layoffs. However, during the information-gathering phase of this planning effort they discovered that most of these subcontractors had completed their layoffs during the previous two years and relatively few workers would be helped by these services during the project period. In contrast to Merced, Charleston was able to revise its strategies and instead designed a "Business Check-Up Kit" that included a test for

businesses to assess their economic health and a resource book of services for businesses needing assistance. This revised strategy proved to be much more useful.

Limiting the Number of Objectives

Projects also experienced difficulties when they set too many objectives. The majority of the demonstrations proposed to address more objectives than they could realistically handle given the time and resources allotted. In the end, many projects had to scale back their efforts and/or ended up dropping major project objectives.

Finding #3: Community planning projects that pursued too many objectives ended up over-extending project partners and spreading scarce resources too thin.

Several projects were overly ambitious in setting planning objectives which negatively impacted the resulting planning efforts. For example, Charleston's community planning partners identified 10 complex and diverse objectives for their planning effort. In addition to devoting time to these DCA-supported planning efforts, many of Charleston's project partners were involved in the Office for Economic Adjustment Assistance (OEA) base reuse community planning effort. As a result, project partners became over extended, with little time for communication or coordination between efforts. This made it very difficult for project leadership to assess the progress of the various efforts and even more difficult to determine when a project had gotten off track. As the planning process progressed, several of their planning efforts had to be significantly scaled back. For example, Charleston originally proposed to develop on-going coordination between job training and job creation organizations. Instead, the planning group sponsored two forums just to get job training and job creation organizations talking to each other. Further, Charleston originally proposed to develop and test a manufacturing credential program for dislocated workers. However, due to insufficient time and resources this effort was scaled back to providing a short training that familiarized workers with industrial manufacturing, but participants did not receive any credential upon completion.

The objectives set by New England's community planning project were also too ambitious. Planning participants identified 11 goals/objectives for their planning effort. During the planning

process participants realized they could not meet all of the objectives. So planning participants re-prioritized their objectives, emphasizing economic development objectives over the workforce education and retraining objectives. Further, they neglected what turned out to be a crucial objective, to mobilize additional funding in order to implement the strategies recommended by their Task Force.

ORGANIZATIONAL ROLES AND RELATIONSHIPS

To pursue project goals and objectives, grantees had to determine what type of planning body to develop, whom to recruit to participate in the planning process, and how to operationalize the planning process. Each of the demonstration projects developed their own unique responses to these challenges. The following section describes findings about the projects' experiences addressing these organizational issues.

PLANNING BODY STRUCTURE

In the case of the DCA demonstration projects, planning bodies were either comprised of a small group of project partners, a larger planning committee, or several planning committees. Further, projects either joined existing efforts or developed their own independent efforts. The specific structure a project adopted typically depended on two factors: (1) whether other planning efforts were already underway in the community and (2) the leadership capabilities and political position of the grantee.

Building on Existing Capacity

Planning efforts required the formation of new relationships and agreements between planning partners and participants. Failure to coordinate with existing organizations risked duplicating existing efforts and antagonizing other organizations in the community. Thus, when forming planning bodies and proceeding with planning efforts, projects could not operate in a vacuum.

Finding #4: Planning efforts were most successful when projects built on the capacity of existing organizations and efforts, rather trying to compete against them.

A number of projects experienced problems when they ignored the existing efforts underway in the community or tried to "reinvent the wheel." For example, Charleston's community planning effort ran into turf issues when it tried to plan a new one-stop service center for dislocated workers. Apparently, the State Employment Security Commission in the area had already applied for funding to establish a one-stop and felt that its toes were being stepped on. The project was able to work these differences out by combining their resources with those of the Employment Security Commission to develop the one-stop, but the initial lack of awareness of this existing community effort caused costly setbacks to the planning effort.

On the other hand, projects were particularly successful when they tried to build on existing efforts or organizations within the community. Rocky Flats specifically set out to avoid duplicating existing efforts and decided immediately that the planning effort would not be developed into a new service providing organization. Therefore, they recruited existing community agencies to act as partners for implementation. For example, the planning committee worked with the University of Colorado, the Small Business Development Center, and the Center's partners to establish an entrepreneurial resource center for small businesses. This strategy proved to be particularly successful by avoiding turf issues and building on existing capacity.

Relationships to Other Planning Activities

Some of the project grantees were operating in communities that were already part of an OEA-funded base reuse community planning effort. In those cases, the grantee could join or coordinate with the existing effort or start their own concurrent planning effort. Other grantees were not faced with an immediately mandated base reuse planning effort; in those cases the DCA community planning project was typically the "only game in town."

Finding #5: Planning bodies were most effective when they were the only planning entity in a community or when they had a clear functional relation to a larger planning effort.

When projects were the only community planning efforts underway in a community, they could attract the full focus, commitment and attention of planning participants. New England's community planning project, a unique regional effort encompassing six states, is a good example. Although conversion planning efforts were already well underway in many of the individual states participating in this regional effort (e.g., Massachusetts, Rhode Island, and Maine), no planning efforts had been attempted to address issues common to all states in the region. With no competing efforts, and trying to build on rather than supersede state-level efforts, the New England project avoided turf issues and proceeded smoothly with planning activities.

Seneca's planning effort was also the only planning effort underway in the community, for most of the demonstration planning period. When the DCA grant was awarded, the Seneca Army Depot had yet to be placed on a Base Realignment and Closure Commission (BRAC) list. As such, the community planning efforts did not have to focus on debates about the physical reuse of the military facility, an activity mandated for OEA community planning efforts. After the first year of the DCA demonstration planning effort, Seneca was placed on the BRAC list and an OEA community planning effort was scheduled to begin. In many ways, the timing of the DCA funded effort and the OEA funded effort were ideal. Much of the data gathering, community mobilization, consensus building and recommendations from the DCA effort wrapped up just as the OEA effort got underway, allowing the OEA effort to benefit from the ground-work laid by the DCA effort.

Other projects were relatively successful when they coordinated with existing planning efforts. In Charleston, an OEA planning effort was already underway when the Charleston County Employment and Training Administration received the DCA demonstration grant. Rather than build a second planning body, the grantee recruited several planning partners, many of whom were also participating in the OEA planning effort. Together these partners initiated a planning process which was supposed to complement the OEA planning activities.

Serious difficulties arose when there were multiple planning bodies in a community duplicating efforts. As mentioned earlier, when the Philadelphia DCA grantee began its planning effort it discovered the Mayor had set up an OEA-funded community planning commission with some of the same goals and objectives. In fact, the Mayor's Commission on Defense Conversion had been established with the expressed mandate of coordinating all planning activities around the closure. This Commission had little interest in coordinating with the DCA effort. However, although the Mayor had set up a Labor Retraining and Advisory Committee (LRAC) to study and coordinate dislocated worker services, the LRAC never really got underway. This allowed the DCA effort to fill the void and plan services for at-risk base workers, while the Mayor's effort focused on economic revitalization. Two planning bodies trying to address the same issues would have resulted in competition for stakeholder participation and turf issues which could have seriously derailed planning efforts.

The most serious difficulties arose when grantees operated with no formal planning body at all. Merced received a community planning demonstration grant, but did not then take the important step of forming a community-based representative group with the authority to either recommend or implement strategies. As a result, the independent study of economic development options commissioned for this project from the University of California at Berkeley was ignored and the grantee could only focus on the provision of services to area businesses.

Effective Use of Subcommittees

A common structure for the planning effort was to have an executive planning body with several topic-specific sub-committees. This planning structure allowed participants to focus their efforts on their specific topics of interest and allowed the planning effort to address several topics simultaneously and in greater detail. However, the success of the planning body/sub-committee planning structure was heavily dependent on the role subcommittees were given in this process.

Finding #6: The executive planning body/sub-committee structure was most effective when sub-committees were given a useful role that required "real work." This structure was less successful when subcommittees were developed so the executive planning body could marginalize an issue, such as workforce development planning, that they did not know how to integrate into their overall planning process.

The planning body/sub-committee planning structure worked particularly well for the Rocky Flats Supplementary Community Planning effort because it empowered the subcommittees with real decision making power. Initially, Rocky Flats formed one planning body. However, its membership grew to 100 members, they formed a Board of Directors and several topic-specific committees including a Worker Impact Committee, a Governance Committee, a Technology Commercialization Committee and others, added as needed. Under this structure, the Board of Directors was primarily responsible for the administrative decisions which had to be made. All other decisions were either made independently by the sub-committees or during full planning group meetings (that included all participants in the process). The project coordinator for this effort found that the planning body/sub-committee structure created an inclusive planning effort. Additionally, she found that giving decision-making power to sub-committees kept participants engaged and committed to the process.

Seneca also used the planning body/task force model successfully by utilizing task forces to conduct important planning and decision-making efforts. Task force members were offered training workshops on teamwork and leadership skills, which many task force members found particularly useful. For activities that required surveying businesses and locally elected officials, task force members received training from Cornell University on interviewing techniques. Trained task force members interviewed over 90 major businesses in the community, as part of the project's information-gathering efforts.

On the other hand, several of the supplementary projects provide examples of how the planning body/sub-committee model can be problematic, particularly for the employment and training community. Community planning efforts surrounding the closure or downsizing of the Orlando Naval Training Center and Plattsburgh Air Force Base were both funded with OEA grants. In each of these efforts, the employment and training community's role was limited to participation on a "human resources" sub-committee. For the most part, the exclusive purpose of this subcommittee was to

assure the broader planning group that base workers were receiving services. With this planning structure, the employment and training community had little mandate or opportunity to put workforce development issues on the broader reuse agenda. In fact, the chair of the base reuse effort in one community specifically stated that the base reuse group was happy to delegate human resource issues to a subcommittee because it gave the base reuse planning body "one less thing to worry about."

PROJECT LEADERSHIP

Project leadership played a critical factor in the success or failure of a community planning process. Project leadership was responsible for recruiting the appropriate participants, facilitating the process, obtaining results from project partners, monitoring efforts and unifying the planning effort.

The Importance of Local Project Leadership

Project leadership for the demonstration projects included both state and local entities. To best fill this role, project leaders needed a good understanding of local politics.

Finding #7: Local administrative entities were the most effective project leaders because of their understanding of local politics and familiarity with key stakeholders in the community.

State agency leadership was particularly problematic in local community planning efforts. The Pennsylvania Department of Labor and Industry's Dislocated Worker Unit was put in the leadership role for Philadelphia's community planning effort. Although this state agency had extensive experience delivering rapid response services to dislocated workers, they lacked a good understanding of community politics. As a result, the DCA project was unable to coordinate or communicate with the Mayor's community planning effort, which left the DCA project with a much narrower planning focus.

Important Leadership Characteristics

Most employment and training organizations are not positioned at the center of political life in their communities. Therefore it was important that the individual project leaders or their project partners had good community connections and strong leadership skills.

Finding #8: The most effective community planning leaders had strong ties with key stakeholders in the community, were assertive and dedicated, and had strong leadership skills. Project leaders without these characteristics benefited from recruiting project partners who did.

All of the successful planning projects had particularly strong project leadership and/or project partners. For example, Seneca's project leader had exceptional leadership skills. She used these skills to actively attract dozens of community members to participate on several task forces. Her leadership was a key factor in the ability of these task forces to stay on track and complete their assignments.

In New England, partners helped strengthen the community planning leadership. The grantee, an employment and training provider, recognized that its role in the community was not strong enough to recruit some of the key stakeholders that the community planning effort would require. With the help of a key project partner from the business community and another with close ties to labor representatives, the project successfully secured the participation of a group of diverse and influential stakeholders.

In contrast, projects lacking this leadership experienced problems as a result. Although the Charleston project had many project partners, project leadership occupied a weaker position in the community. The DCA grantee and lead agency was the Charleston County Government Employment and Training Administration (ETA). The ETA hired new staff to work on the project, who were directly responsible for ensuring that the project partners complied with their memorandums of agreement (MOAs) with ETA. Unfortunately, the ETA Project Manager reported that he felt he could only remind project partners of their commitments and responsibilities, but had no power to

compel them to action. As a result project leadership was often frustrated with the lack of progress from some of the partners.

RECRUITMENT OF PLANNING GROUP PARTICIPANTS

Creative and innovative community planning strategies depend on the ideas and resourcefulness of planning group participants. For this reason, recruitment of planning group participants was one of the most important activities project leadership had to undertake. Project leaders had to determine how many participants to recruit, who to recruit, and how to secure commitments from participants.

Effective Planning Group Size

Decisions regarding how many members to include in the planning process varied across the community planning projects. Some grantees limited participation in the planning effort to a group of select project partners; other planning efforts were more inclusive.

Finding #9: In determining the size of the planning group, it was important to balance the need for an inclusive body with the need to achieve consensus. The point at which this balance was achieved varied depending on local circumstances.

For some projects, more participants in the planning process just enhanced the effort by making the process truly inclusive. The community planning effort for Colorado's Rocky Flats Nuclear Weapons Plant grew from 100 to 600 participants over the course of the planning effort. However, project leadership reported that the size of this group did not hinder the project or prevent the group from reaching consensus. Indeed, the sheer number of participants gave the group legitimacy as a broad-based, grassroots organization. In contrast, the community planning effort responding to the closure of Wurtsmith Air Force Base in Oscoda, Michigan had just 23 committee members and yet project leadership reported that the group was too unwieldy, making it difficult to reach consensus. Thus, there was no agreement among projects as to the best size for a planning body.

Importance of Diverse Representation

In the case of the demonstration projects, it was not the number of participants, but who they were that seemed to matter most. Linkages between workforce development and economic development efforts depended in large part on who was recruited to participate in the planning effort. If key economic development and employment and training stakeholders were not present in a community planning effort, there was little chance that collaboration/coordination of efforts could take place.

Finding #10: To facilitate the development of creative and innovative planning strategies, projects needed a diverse, experienced, dedicated, and influential group of stakeholders at the planning table. Further, while including economic development and employment and training representatives in a planning effort did not guarantee linkages between these entities, not including either player in the planning effort guaranteed these linkages could not occur.

Several projects were unsuccessful in developing linkages between the economic development and workforce development communities, in part because they failed to include both communities in the planning efforts. Both the Merced and Philadelphia planning efforts failed to achieve the desired linkages. In Merced, active participation in the planning effort was limited to economic development-related agencies; in Philadelphia, participation was limited to workforce development agencies.

In sharp contrast, Rocky Flats recruited a diverse and dedicated group of planning participants including representatives from local government, economic development, employment and training, labor, business, and educational institutions. As a result, many of the strategies developed through this planning process represent innovative and exciting collaborations between project participants, linking employment and training, education, and economic development partners. For example, the nuclear weapons plant, university partners, private manufacturing employers, and dislocated worker job training providers worked together to plan the Rocky Mountains Metals Manufacturing and Testing Academy, designed to train workers in the field and help manufacturing firms diversify their production efforts.

New England's planning effort also benefited from the diverse representation of its planning membership, which fostered a collegial atmosphere and sparked creative ideas and solutions. However, the project found that a balanced effort was as important as diverse representation. Although New England recruited a diverse group of stakeholders including representatives from the private sector, economic development, local government, and employment and training, the majority of these participants had an economic development focus. As a result, economic development strategies received higher priority than workforce development activities or linkages.

Several projects found that the support of base management was very helpful with their planning activities. This was particularly true for supplementary projects planning for the reuse of a closing base. Some projects included representatives from the impacted military facility on their planning bodies; other projects just developed strong relationships with base management. As a result of good relationships with base management, the reuse planning bodies for both Wurtsmith Air Force Base in Oscoda, Michigan and the Naval Training Center in Orlando were able to speed up the process of getting new tenants on base.

Finally, planning participants experienced with defense downsizing, military worker dislocations, and/or community planning efforts proved to be particularly useful for projects. For example, several of New England's participants had experience with downsizing defense firms and worker transitions and understood how this impacted communities. Seneca's project included consultants from Cornell University who specialized in supporting development efforts. However, projects lacking participants with direct experience were equally successful when they took the time to research lessons to be learned from earlier planning efforts. Leadership from the Rocky Flats community planning effort spent many months researching best practices in defense conversion community planning activities before designing their community planning effort and attributed their success, in part, to those early research efforts.

Securing Commitments from Participating Agencies

Over the course of a planning effort, some planning participants may leave the process or remain passive onlookers rather than active participants. This can be problematic if that participant represents an entity whose participation is important to the continuation of the planning process.

Finding #11: The lack of formal agreements among project leadership and participating organizations contributed to the disruption of the planning process when individual planning participants left the process due to staff turnover and the organization they represented no longer committed to the planning effort. A formal memorandum of understanding (MOU) or agreement (MOA) between project leadership and agencies represented in the planning process may ensure that staff turnover does not result in the loss of critical project support.

Some projects were seriously hindered by the loss of a project partner or participant. For example, New England originally developed a balanced planning body, including representatives concerned with economic development and workforce development. However, when a key planning group representative from a local university left to accept a position at another university, the planning group balance was lost. The focus of the planning body shifted such that economic development interests took priority over issues related to education and skills retraining for workers. As a result, most of the recommendations by the planning body addressed issues to improve the regional business climate, rather than the desired linkages between workforce development and economic development.

Similarly, in the middle of Seneca's planning process, the chair of the Board of Supervisors left his position. He had been an ardent supporter of the community planning effort and his tenure had virtually guaranteed an audience for the recommendations resulting from the project's activities. When he left, the DCA community planning effort was left with no high-level audience for its efforts.

OPERATIONALIZING THE PLANNING PROCESS

Once projects had recruited the appropriate participants and established a planning structure, they had to implement a planning process. Operationalizing the planning process included setting a planning schedule and reaching agreement on a decision making process.

Setting the Project Schedule

Because projects had limited time and resources, one of the first steps in initiating a planning effort often consisted of setting a project schedule. Some projects developed a schedule of regular meetings between participants while others proceeded with more loose schedules, holding meetings on an infrequent basis.

Finding #12: To maintain forward momentum for the planning process, it was important to schedule regular meetings with project participants and maintain regular communication among project partners.

One of the strongest features of the New England community planning project was its organized planning schedule, which included regularly scheduled planning meetings and constant communication between project partners. Specifically, all task force members met every two months throughout the course of the planning process, rotating the location of the meeting between participating states. These full task force meetings were scheduled in addition to the topic-specific work group meetings, also held regularly. Further, project leadership ensured that task force participants were regularly informed about the on-going progress, circulating summaries of all Task Force and Work Group meetings, which helped to keep the Task Force up-to-date and on-track.

In contrast, projects without regularly scheduled meetings were likely to be less organized and more likely to get off-track. Partners in Charleston's community planning effort did not meet regularly. In fact, the project had no process for keeping each other informed about the on-going progress of their efforts. As a result, participants were often frustrated and left in the dark regarding the status of planning efforts. At one point one of the project partners had gotten seriously off-track which delayed a project activity by months, before project leadership was even aware of the problem.

Reaching Consensus on the Process

Projects found it particularly useful to reach agreement on their planning and decision making processes early in the planning effort.

Finding #13: Reaching consensus on the planning and decision making processes early in the planning process, helped projects avoid potential turf issues and charges of bias.

An example of the benefit to early consensus on planning processes was provided by the Rocky Flats project. After almost two years of community planning efforts, the Rocky Flats project received a four-million-dollar grant from the Department of Energy to implement strategies developed through their planning effort. When this funding arrived, several agencies who had not joined in the planning process earlier wanted to access these funds. The project manager found it particularly helpful to have an agreed upon, pre-established, legitimate planning process which she could use to guide how decisions would be made to spend the funds. She believes this avoided a lot of potential turf issues.

Role of Consultants in the Community Planning Process

All of the community planning efforts used some of their planning resources to hire consultants. These consultants included university professors and private consulting firms. However, the role consultants played in these efforts varied across projects. Some consultants' roles were limited to information-gathering activities, others provided technical assistance, and still others really drove the planning process.

Effective Use of Consultants

The effectiveness of consultants in the planning process varied considerably across projects. In some cases their participation proved invaluable, while in other cases their assistance was more problematic.

Finding #14: Consultants were most effective when they played a supportive rather than a lead role in the community planning efforts.

Consultants and university partners were used extensively and effectively in several projects. The Seneca demonstration project was particularly successful with its use of consultants. Rather than allowing consultants to work independently, its consultants were required to build the capacity of the community participants. To do this, they worked closely with planning participants and provided technical assistance and training so that subcommittees could undertake some of their own planning activities. For example, Seneca hired a consultant from Cornell University to train task force members in interviewing techniques so that task force members could conduct their own information-gathering activities. Trained task force members conducted interviews with more than 90 area employers to find out what would help them remain in the area. Based on their training, task force members were able to gather useful information regarding the needs of local employers. Most importantly, this training gave the task force ownership of the planning effort and the capacity to conduct similar activities without consultants for future efforts.

In contrast, projects were less successful as community planning efforts when consultants drove the planning process, as they did in the North Las Vegas planning project. In fact, the City Council of North Las Vegas specifically formed a community planning task force to act as a "sounding board" for the consultant's economic development plan. Because there was little opportunity for task force members to provide anything more than feedback on the consultant's ideas, the plan shows little evidence of representing the diverse interests of the stakeholders who participated.

INFORMATION GATHERING ACTIVITIES

To make informed decisions on the appropriate strategies for a community response to a facility closure or downsizing, planning participants needed information. Therefore, information gathering activities were among the first tasks most planning projects undertook. These efforts typically included research to determine the impact of the facility closure or downsizing on workers, employers, and/or the community at large. Additionally, some projects gathered information on the

intentions of local businesses and the capacity of the education and training sector to assist in the community response. The projects' experiences with information gathering activities resulted in several findings about what information should be gathered, how it should be gathered, and how it should be used.

GATHERING INFORMATION TO INFORM THE PLANNING PROCESS

Many projects found information-gathering activities to be more expensive and time consuming than they had originally anticipated. Further problems arose when projects embarked on information-gathering activities without knowing how the information would be used and/or when projects encountered unexpected barriers to their information-gathering efforts.

Using Information as a Strategic Tool

Some projects undertook information activities without a specific use or purpose for the information. In several instances, the resulting data proved to be of minimal or no use. This is particularly problematic given the resources such activities consumed. Other projects proceeded with information gathering activities only when the purpose for conducting the research was clear.

Finding #15: Information-gathering activities provided the most useful results when they were used as a strategic tool to inform the development and selection of community response strategies.

Several projects provide examples of particularly successful strategic information gathering activities. For example, the Rocky Flats project defined the purpose of its information gathering activities before it embarked on extensive research. Planning group participants determined that they needed information on plant workers' skills and on how those skills fit the needs of area employers to meet their project goal of replacing plant workers' lost jobs. They focused their research on a review of the workers' skills and a survey of local employers. The results of their efforts directly informed the strategies they developed.

Other projects used their data collection activities less strategically, and ended up with much less useful information. For example, the planning effort in Plattsburgh included a needs assessment survey for area employers. However, there were no plans to provide any services to these employers, so most of the information gathered in the survey was never used.

For other planning efforts, the timing of the information-gathering effort did not make sense. Merced initiated their information-gathering efforts in order to validate implementation decisions that had already been made. From the start, Merced planned to use the demonstration grant to provide international business and government contracting training to impacted area businesses. However, Merced had no information regarding the number of businesses impacted by the base closure or whether impacted businesses were interested in this type of training. At the request of the DOL, Merced surveyed employers to find the answers to those questions, but concurrently implemented the training as originally planned. This information-gathering effort proved costly and its data had questionable validity because of a very low survey response rate (less than 4 percent).

Anticipating Obstacles to Information Gathering Efforts

Several projects encountered unanticipated obstacles during their information-gathering activities that stalled progress and unnecessarily consumed resources.

Finding #16: Projects found that it was important to anticipate and respond early to potential obstacles to information-gathering activities, such as problems working with base personnel or limited resources.

Several projects encountered problems trying to work with the military during their information-gathering efforts. These projects hoped that base personnel would provide accurate information on the number of workers impacted, their job titles, skills, and demographic characteristics; layoff schedules; and lists of businesses dependent on the base. Projects were sometimes surprised when the military was not always willing or able to cooperate with these requests for information, considering some of it top secret.

The personnel office at the Rocky Flats Nuclear Weapons Plant had no intention of providing detailed information about plant workers to the community planning body. Planning participants were not even given information about the number of workers impacted. It took a year of close work with the personnel office and substantial resources from the staff of the community planning effort to collect the needed information.

On the other hand, projects that anticipated these problems were able to avoid them by developing strong relationships with base management early in the planning process. In Orlando, the private industry council anticipated potential difficulties given their understanding of the military culture. To avoid these issues, the PIC Director (a retired military officer himself) worked to develop ties with both the Base Commander and the Human Resources Officer. As a result, the PIC received regular updates on the layoff schedule and other information as needed. Further, the HRO worked closely with the PIC to conduct a survey on workers' needs.

Other projects seriously underestimated the cost of information-gathering activities. Philadelphia planned to survey employers as part of a larger information-gathering activity. However, the employer survey quickly exceeded its budget and survey activities had to be drastically scaled back. Since the project's information-collection activities were linked, the scaled-back survey of businesses limited the usefulness of the project's plan to develop a database linking employers' needs with dislocated workers' skills.

New England also found information-gathering activities to be more costly and time consuming than they originally anticipated. The project ended up eliminating a survey of at-risk and dislocated workers because it would have required substantially more funding. However, the project found that focus groups provided an affordable and effective information-gathering alternative. The project also relied on existing reports and information to supplement its information-gathering efforts.

Importance of Expertise

Gathering useful information proved to be a formidable technical challenge for many projects. Some projects attempted to conduct their own surveys, other projects relied on the expertise of consultants for their research efforts.

Finding #17: Information-gathering activities were most useful when experienced consultants worked with planning participants to design and/or implement research activities.

A number of projects provide examples of the importance of experience with information-gathering activities. Both Seneca and Rocky Flats utilized consultants to help them with sophisticated information-gathering activities with particularly useful results. Seneca hired faculty from Cornell University to research and analyze the county's labor market. This information was used by planning participants to select an economic development strategy. Similarly, Rocky Flats hired a private consultant to conduct phone surveys with area employers. This information was used to determine whether the jobs available in the area matched the skills of the dislocated plant workers. In both cases, project staff believed they lacked the expertise to have attempted these efforts without professional assistance.

Information-gathering activities undertaken by the Merced planning project were much less successful. The Center for International Trade Development (CITD), a project partner in the Merced County planning effort, opted to conduct its own survey of area businesses to determine how many were impacted by the base closure and how to best assist impacted businesses. Out of 3,000 surveys sent out, only 114 were returned. This unacceptably low survey response rate (less than four percent), raised serious questions about the usefulness of the data collected.

This is not to say that planning groups were unable to conduct any of their own information collection activities, only that projects should consider whether or not they have the expertise to generate useful information without professional assistance. Because information-gathering activities are costly and time consuming, it is important that the efforts yield useful results.

REPORTING AND DISSEMINATING INFORMATION

Once the information was gathered and analyzed, projects needed to distribute the information to planning participants and other key stakeholders, to inform the development and selection of strategies. Projects found that how the information was disseminated played an important role in determining whether the information was used.

Importance of Style and Distribution

Some of the projects invested a significant amount of resources in their information-gathering activities and wanted to make sure that this information would really be put to use.

Finding #18: Information-gathering activities were most useful and cost-effective when the results were presented in a user-friendly format and distributed to as many potentially interested stakeholders as possible.

Several projects provide examples of how to successfully report the results of information-gathering activities. Specifically, after considering the results of their information-gathering activities, the planning participants for Rocky Flats realized their work would be most cost effective if it was distributed to all who could benefit from it. As a result, they prepared a summary report of their research, including the names of specific employers that anticipated hiring workers with the skills matching some dislocated plant workers. The report also included a discussion of new job growth areas and the particular training a worker would need to fill those positions. This report summary was then mailed to each impacted worker and to the counselors at the Workers' Assistance Center. The results of the research were also shared with members of the planning group, whose next step was to formulate strategies based on the information collected.

Other projects provide examples of how reporting of information can be problematic. For instance, project leadership for Seneca's planning effort was initially disappointed with the early draft of the labor force analysis report prepared by a professor at Cornell University. The report was written in academic and formal language, and project leadership was concerned the results presented would not be used. After requiring the consultant to rewrite the report in a more user-friendly

format and commissioning technical assistance guides for each research report the project produced, project leadership was much more satisfied with the results and found these reports to be very useful for their strategy development efforts.

Importance of Gauging the Political Climate

Other reports presenting the results of information-gathering activities ended up collecting dust on shelves, not because they were too academic, but because the results of the efforts were not well-aligned with prevailing political agendas.

Finding #19: Information gathered was most useful when it was reported in a manner that was sensitive to the political context within the community.

Another example of problematic reporting of information is the Merced project. Merced hired a professor from the University of California at Berkeley as a consultant to study the economic impact of the base closure on the area. This professor worked in isolation from the rest of the planning process, and was geographically removed from Merced while he worked. As a result, he was unaware of the local political agenda. He submitted a report which was ignored, largely because its conclusions were unpopular with the base reuse commission. His report indicated that the economic impact of the base closure was not as catastrophic as expected and might actually prove beneficial in the long-run. The report may have been more successful had the consultant been more aware of his audience's political agenda and used a more readily acceptable tone to present his findings.

FORMULATING COMMUNITY RESPONSE STRATEGIES

Once projects completed their information-gathering activities, planning participants had the tools they needed to make informed recommendations about the best strategies for their community to respond to the facility closure or downsizing. Additionally, DCA demonstration projects had the unique opportunity of emphasizing strategies that linked workforce development and economic development efforts as part of this response. This section discusses findings from the planning projects concerning the formulation of community response strategies.

DEVELOPING COMMUNITY RESPONSE STRATEGIES

The process of developing community response strategies proved to be the most challenging and rewarding effort for many of the planning projects. The success projects had in meeting the goals of the DCA demonstration and developing effective community response strategies depended on how they used information, the ability of the employment and training community to justify the importance of workforce development in these response strategies, and the creativity of planning participants.

Effective Use of Information

Use of the gathered information varied widely across projects. Some projects used the information to formulate their community response strategies. Other projects had pre-conceived ideas about strategies which were validated by the information gathered. Still other projects developed strategies from the onset of the project and proceeded regardless of what their information-gathering efforts suggested.

Finding #20: The formulation of community response strategies was most successful when the project used the gathered information to drive the process.

Some projects provide examples of how information can best be used to drive the formulation of strategies. For example, due to the wealth of information gathered by the Rocky Flats project, planning participants could use the information as a logical starting point to develop community response strategies. This proved to be particularly successful, for example, their research indicated that dislocated plant workers' skills applied most directly to the manufacturing sector. Their research also revealed that most of the larger manufacturing employers in the area were not hiring, but smaller manufacturing firms in the area were growing. Rocky Flats then developed strategies to help expand existing small manufacturing businesses and to assist workers in upgrading their manufacturing skills.

Importance of an Assertive and Forward-Thinking Employment and Training Community

The employment and training community played a critical role in the development of linkages between workforce development and economic development efforts. However, many grantees found it difficult to make these linkages a priority when developing community response strategies.

Finding #21: Strategies linking workforce development and economic development efforts were most likely to be developed if the employment and training community could justify to planning participants how these linkages would help the community respond to a facility downsizing or closure.

To enhance the possibility of developing these linkages, grantees in both Seneca and Charleston pursued efforts to facilitate communication between the employment and training community and the economic development community. Seneca's community planning effort included a two-hour workshop for planning task force members that discussed how to link employment and training issues with business retention and expansion issues. Additionally, the project developed a workbook to use in future workshops discussing these linkages. Charleston held two forums designed to bring the employment and training entities and economic development representatives together. During these forums each group explained to the other the services it provided and how their activities could be coordinated and complement each other.

In contrast, the Oneida County Employment and Training Office was unable to convince the OEA community planning effort responding to the closure of Griffis Air Force Base that these linkages could complement the base reuse efforts. Ironically, it was not until after the base reuse planning effort that members of the base reuse commission began to realize the importance of these linkages. This realization occurred when a major employer announced its intention to locate in the community, citing the available and trained workforce in the community as the primary reason for their decision. After that event, the Director of the County's Economic Development Office, and a leader in the base reuse effort, said that economic development had missed an opportunity to work more closely with the employment and training community during the base reuse planing effort but that he hoped to work more closely with them in the future.

However, community planning projects responding to a base closure have to be realistic about the feasibility of directly linking human resource needs and base reuse issues. Some grantees hoped to bring new employers to the base in time to give new jobs to workers who were losing their base jobs. This was an unrealistic expectation for most base reuse efforts. Closing bases requires a substantial number of physical and environmental studies, as well as several levels of military approval before a base is available for new tenancy. By that time, it is typically years since the last of the workers have been laid off. Even during the expedited reuse effort at the Orlando Naval Training Center, which acquired a new Defense Finance and Accounting Service Center (DFASC) almost immediately, only a few dislocated base workers were able to secure employment on base.

Assessing Strategies and Reaching Community Consensus

Once potential community response strategies were identified, projects had various methods for assessing their feasibility. Projects then had to present their recommendations to an appropriate audience that could consider implementing proposed strategies. Some of the most successful efforts used the process of assessing and reporting strategies as a way to develop community consensus.

Effectively Assessing Strategies

After a lengthy planning process, some projects sought to evaluate the feasibility of their preferred strategies. This is an important step in the planning process, forcing participants to acknowledge the level of resources required to implement these strategies.

Finding #22: Seeking community input, conducting feasibility studies, and pilot-testing ideas were successful means for assessing the feasibility of proposed strategies while at the same time developing community consensus.

A number of projects offer examples of successful strategies for assessing the feasibility of proposed strategies. Seneca County's DCA planning project relied on substantial community input to select a strategy for which a feasibility study would be conducted. A series of open community meetings were held in which project staff presented summaries of the information gathered by the various task forces, including information on labor force characteristics and business needs.

Additionally, project staff provided a list of possible economic revitalization strategies developed through the planning process. Often several hundred community members attended these lively meetings to participate in a facilitated process during which the community participants prioritized the proposed strategies. The group ultimately selected tourism as the economic development strategy for which a feasibility study should be conducted. Though this process, the project was able to obtain widespread support for this strategy. Grant funds were then used to hire a consultant to conduct the feasibility study. In the end, the consultant found that tourism could be a viable economic revitalization strategy for the county.

Rather than conduct a feasibility study, planning partners in Charleston opted to pilot test two planning strategies. A small group of dislocated workers, selected from the pool of at-risk base workers, received entrepreneurial training and another group received training in high performance workplace skills. If the projects proved to be successful, the grantee planned to seek additional funding to implement the projects on a larger scale.

Focus groups were used by Rocky Flats to assess strategies and develop consensus. One of Rocky Flats' proposed strategies was the development of a manufacturing academy which would offer workers training in advanced technologies and manufacturing. To see if this strategy made sense, the planning group held several focus groups with manufacturing firms in the area. The manufacturing firms supported the strategy, which they believed would help them increase their productivity and growth by providing them with a trained labor pool to draw from. Through their efforts, Rocky Flats received confirmation of their ideas and gained the support of the manufacturing businesses in the community.

Importance of an Audience

Typically projects prepared reports in which they presented their plans or recommended community strategies. However, a key challenge for many of the community planning projects was identifying an appropriate audience for these recommendations.

Finding #23: Projects found that it was important to identify an audience with the power and authority to implement the recommended strategies. Projects that lacked an appropriate audience were left at the end of the demonstration with little hope that their strategies would be implemented.

For some planning efforts, the planning body itself could act as its own audience. Several of the OEA-funded community planning efforts (Plattsburgh, Griffis, Wurtsmith, etc.) had the power to enact the proposed base reuse plans which resulted from the community planning process.

For some of the DCA demonstration sites, the lack of an appropriate audience made it unclear whether their proposed strategies would ever be implemented. For example, the New England regional community planning effort represented six states, but never secured agreements from state agencies or politicians that their recommendations would be considered. Although they widely disseminated their final report, which included regional strategies for economic revitalization, only Maine has considered adopting some of those recommendations.

Similarly, Seneca lost their intended audience when the Chair of the Board of Supervisors—a key supporter of the DCA planning effort—moved out of the area. Seneca's planning effort proceeded regardless of this loss, but project leadership realized an audience for their work was critical. Project leadership decided to form a new subcommittee, the Redevelopment Advisory Council (RAC), to act as the audience for the planning group's work. However, many of the participants on the RAC were also participants on various task forces in the planning effort. Further, RAC's representatives lacked the clout and authority to implement the recommendations the planning group was making. RAC ended up approving all the reports and recommendations made by the various task forces, but without the power to implement the recommendations, this approval had little meaning. Since that time, project leadership has been trying to encourage the new OEA planning effort to build on the DCA planning group's work; however, there is no agreement or assurance that this will happen.

IMPLEMENTATION

Implementation is not part of the funding for the DCA demonstration community planning projects. But by the end of their planning efforts, projects should have initiated activities which would facilitate implementation of their recommended plans or strategies. These activities include mobilizing resources and securing agreements with new organizational partners. This section offers findings based on the projects' experiences trying to move from the planning to the implementation stage.

Importance of Mobilizing Resources

Several projects had successful community planning processes which resulted in creative and innovative community response strategies. However, regardless of the success of the community planning process, projects were unable to implement these strategies without additional funding.

Finding #24: Successful implementation of community plans/strategies was dependent on the project's ability to mobilize new financial resources.

Many of the planning projects provide examples of how failure to mobilize additional resources resulted in the inability to see its recommendations through to implementation. For example, New England's innovative and complex regional planning project proceeded smoothly during the planning process. Project participants were dedicated to the process and developed several exciting recommendations for regional cooperation and collaboration to revitalize the area. However, New England failed to secure additional funding to implement these strategies, even though they had identified the mobilization of new resources as a planning objective. As a result, after a highly successful year of planning, no regional efforts at implementing the agreed-upon recommendations have been undertaken.

On the other hand, several projects successfully mobilized resources and implemented strategies. For example, the Rocky Flats Community Planning Project was fortunate enough to secure four million dollars from the Department of Energy (DOE) specifically to implement their

proposed strategies. As a result, the three strategies proposed by the planning effort have all been implemented. Over time, some of these new projects have secured their own on-going funding and will continue even after the DOE funds have been spent.

Similarly, although Philadelphia could not be described as having a particularly successful community planning effort, the project was very successful at securing additional funds. In fact, a committee was formed for the express purpose of obtaining additional funding (the Grant Advisory Council (GAC)). As a result of their efforts, the project secured more than $10 million to implement their plans to serve dislocated workers.

Building New Relationships

The DCA demonstration created the opportunity to form new linkages between the employment and training community and economic development efforts. Several projects were able to establish or strengthen relationships between economic development representatives and the employment and training community, through the planning process itself. Further, some of these relationships are likely to last well beyond the planning activities.

Finding #25: Several community planning efforts resulted in the formation of new relationships or the strengthening of existing relationships between the employment and training community and economic development representatives.

Several projects provide examples of successful relationships fostered as a result of the community planning effort. As mentioned previously, both Seneca and Charleston conducted workshops/forums to increase communication between the employment and training and economic development communities. These efforts may have opened the door for future collaboration. For example, increased communication between economic development representatives and the DCA grantee in Seneca may have encouraged the OEA-funded planning effort to build directly on the foundation of work laid by the DCA-funded effort.

Similarly, New England considers the relationships developed between various state stakeholders as the key outcome of their planning effort. The effort provided a forum for representatives from each state to learn about the programs and policies of other states. As a result, project leaders report that the planning effort has spawned networking among state leaders in the region.

Finally, economic development representatives and employment and training representatives worked closely together on the base reuse planning effort in response to the closure of Wurtsmith Air Force Base. Now that the Office of Economic Development is working to fill the base with new tenants, employment and training representatives have been included in the meetings with potential new tenants for the Base.

STRATEGIES FOR SUCCESS

The experiences of the DCA demonstration projects and supplementary projects suggest several strategies for success for the current and future participation of the employment and training community in community planning efforts.

(1) Projects need to formulate clear, realistic goals.

(2) Projects need strong local leadership with ties to key stakeholders in the community including: local government, economic development, employment and training, educational institutions, the private sector, and other interest groups. If grantees do not hold a strong leadership role in the community, they should seek planning partners who do.

(3) Projects need to create an inclusive planning effort which includes recruiting a diverse, dedicated and influential group of stakeholders as planning participants. To develop the desired linkages between economic development and workforce development activities, both employment and training and economic development entities should be represented at all levels of the planning effort.

(4) Projects should always try to build on existing capacity to avoid "reinventing the wheel." For example, in communities where OEA community planning efforts are already underway, projects should try to coordinate with these activities to avoid duplicating efforts and to take full advantage of any progress already made.

(5) Project leadership needs to establish regular and effective means of communication between planning partners and participants to promptly identify and address any obstacles to progress.

(6) Projects should work closely with hired consultants, rather than allowing consultants to drive the planning effort. Therefore, planning bodies should be empowered to make decisions to conduct real work in the planning effort.

(7) As early as possible in the planning effort, projects need to identify an appropriate audience to consider options, strategies and recommendations and the power and authority to implement policy.

(8) Information-gathering activities should be conducted strategically to inform community response strategies. Similarly, strategies should be well-grounded in high-quality information.

(9) The employment and training community needs to justify to other planning participants how linkages between workforce development and economic development efforts help a community turn a potential economic disaster into a unique opportunity for job growth.

(10) Projects need to assess the feasibility of strategies formulated and develop community consensus on the strategies proposed. These proposed strategies then need to be presented in a user-friendly format to all appropriate audiences.

(11) Projects should use the planning process as an opportunity to develop new and strengthen old relationships between community agencies to create productive linkages within the community.

(12) Projects need to focus on mobilizing additional resources as part of the planning efforts to ensure that the efforts can move from planning to implementation.

CHAPTER IV
CONCLUSIONS

IV. CONCLUSIONS

The Defense Conversion Adjustment (DCA) demonstration provided an opportunity to test how public funds can be used to help support the adjustments necessitated by reductions in defense spending. Impacts from defense downsizing, which began in the late 1980's and are expected to continue at least to the end of the decade, are occurring at the individual, firm, and community levels. The 19 DCA demonstration projects each intervened at one or several of these levels.

In planning for the DCA demonstration the Department of Labor and the Department of Defense hoped to learn how to intervene effectively to facilitate and support the economic adjustment process. By providing funding with a minimum of regulatory constraints and encouraging locally initiated project designs, the federal agencies concerned with defense conversion hoped to elicit project proposals that would: (1) test innovative designs, (2) act as catalysts for change, (3) create new organizational partnerships, and (4) promote effective outcomes.

In the remainder of this chapter, we comment on how well the projects testing community planning strategies have met these four expectations and the implications their performance may have for public policy.

PROMOTING INNOVATION

The announcement of the DCA demonstration emphasized that innovation was a pivotal goal of the demonstration. The relative absence of administrative rules and regulations for this program was intended to give each grantee enough flexibility to try new designs in responding to the defense drawdown. It was hoped that innovations tested by demonstration grantees would have future applicability not only in the defense conversion context but also in broader contexts. For example, if innovations in interventions with communities facing base closures and mass layoffs from the private defense sector worked well, similar interventions may work for other communities facing challenges that require a coordinated response to revitalize the local economy.

IV. Conclusions

The Department of Labor was entering completely unfamiliar territory when it granted awards to communities embarking on planning for the closure of a military facility or mass defense industry layoffs. While supporting community planning efforts is novel for the Department of Labor, it is far from that for other federal agencies. The Department of Defense has funded planning efforts for years under the Office of Economic Adjustment (OEA). What was innovative for the DCA community planning projects was the effort to ensure that human resource considerations would be included as an integrated part of the planning process. By placing planning resources in the hands of the employment and training entities, local workforce development representatives have been ensured a "place at the planning table." The community planning projects were exciting tests of what happens when human resource planners are able to join the dialogue or even lead planning activities to support economic revitalization efforts.

The DCA grants had the potential of enriching planning efforts by introducing a whole new set of actors, issues, priorities and ideas that might otherwise have been left out of planning that was funded by OEA or Economic Development Agency (EDA) grants alone. The experiences of the projects we studied showed that in communities where OEA has funded planning efforts, physical facility reuse issues tend to dominate public debate and drive response strategies, while issues related to human resources tend to take a back seat. For example, the employment and training needs of base-dependent workers are sometimes marginalized or relegated to separate sub-committees in OEA-dominated contexts, while the main planning efforts focus on environmental reports and real estate concerns.

The potential for enriching planning efforts by placing workforce development at the heart of planning activities was well realized in several of the DCA projects. Employment and training agencies led all or part of the planning response in Seneca County, Charleston, New England, and Philadelphia. The involvement of employment and training agencies and providers helped to ensure that the planning bodies considered the skills of the labor force and the local workforce training resources as strategic tools to support economic development goals.

USING PROJECT FUNDS AS A CATALYST TO PROMOTE CHANGE

Because the economic adjustments necessitated by defense spending cuts are extensive and the public funds available to support defense conversion are limited, another goal of the DCA demonstration was to use the available funding in ways that could stimulate further public and private investments. In addition, the federal agencies interested in defense conversion wanted to identify opportunities for public investment that would provide the greatest return to the taxpayer. This necessitated a careful balancing act on the part of the demonstration projects and DOL: selecting workers, firms, and communities that did not have sufficient skills or resources to complete successful transitions on their own, yet had the potential for achieving successful outcomes, given the available assistance.

It was highly unlikely that the community planning projects could have accomplished what they did without the infusion of DCA funding. Although planning of some kind occurred in all communities facing Base Realignment and Closure Commission (BRAC) closures, the type, intensity, and success of that planning was deeply influenced by the active involvement of the employment and training community. The DCA grants were not catalysts for initiating a planning process, but at their best, sparked and fostered new, fruitful linkages between economic development and workforce development entities and activities.

BUILDING NEW ORGANIZATIONAL PARTNERSHIPS

Another difference between the DCA projects and the more traditional DOL activities was the greater organizational flexibility given the projects to select administrators and form partnerships among a wide variety of organizations to design and implement services. Responding to the challenge, DCA projects created new relationships rarely seen in the employment and training world both at the state and local levels.

The community planning projects caused the employment and training organizations that led them to develop many new, collaborative relationships with other organizations and institutions in

their communities. Nearly all of the projects worked closely, often for the first time, with their local economic development agencies in their efforts to research, formulate and select strategies to respond to the adverse impact of the closure or mass layoff. Some projects approached and partnered for the first time with the educational community, business organizations, chambers of commerce and worker organizations. Project leaders learned how to work with the military and identified new sources of expertise in their communities in both the private and public sectors. In short, the community planning projects galvanized the employment and training community to move well beyond their traditional boundaries as they sought to facilitate an inclusive, consensus-building planning process. These new relationships will, to the extent that they last, continue to enhance the quality of employment and training programs, as well as the activities and agendas of other community organizations and social service programs. These new linkages will be particularly useful as the job training world begins to move towards consolidation and greater coordination.

ACHIEVING DESIRED OUTCOMES

Measuring outcomes was difficult for many projects, and especially challenging for the community planning projects. Measuring community-level impacts, such as whether planning activities led to a reduction in the number of businesses likely to leave the impacted area, was beyond the scope of this evaluation. Further, isolating the effect of the DCA-funded demonstration activities on outcomes as compared to, for example, coexisting or subsequent OEA-funded planning activities was close to impossible since these two activities were often closely integrated. Despite these difficulties of measurement, on the whole, the DCA projects met the objectives they set out to achieve, and appeared to make a difference in their communities.

Most of the participating communities (Charleston, New England, and Seneca) formulated community plans that described a vision for the future development of their community, as well as strategies suggesting how to make that vision a reality. These projects successfully demonstrated new and innovative strategies in planning for base closures. The other two community planning projects (Philadelphia and Merced), tackled narrower community planning issues rather than embracing the difficult challenge of linking human resources and economic development planning.

Both of these projects fell short of achieving their objectives. One became sidetracked as it tried to meet the immediate employment and training needs of displaced workers (Philadelphia). The other never had clear objectives or sufficient funding to meet them.

POLICY IMPLICATIONS

Like any major experiment, the DCA demonstration contained both successes and failures. When the Department of Labor requested proposals for these grants, it deliberately invited applicants to "break out of the traditional mold." Project designers responded by taking risks in how they proposed to set goals, form partnerships, select target groups, design interventions, administer services, and monitor their own progress. Risk-taking leads to mistakes, and this demonstration includes its share of mistakes. But risk-taking also leads to new knowledge, new models, new lessons. The DCA demonstration more than succeeded in providing useful lessons on how to support economic conversion and growth whether or not the individual projects succeeded in accomplishing each of their objectives.

The Department of Labor has never before been directly involved in planning at the local level to the extent that it was in this demonstration. Perhaps one of the key policy questions that emerges from this demonstration and evaluation is to what extent the Department of Labor should continue supporting activities that focus on planning, rather than delivery of services. The experiences of the planning projects demonstrated that employment and training organizations are eager and willing to engage in long-term planning, and are important resources for community planning though they are often left out of this process. When given the opportunity, local PICs, job training providers, and state-level Title III officials can, in collaboration with other agencies, help to create and implement long-term solutions to potential economic crises.

The capacity of the employment and training system to engage in long-term planning and link its efforts with those of other agencies should be encouraged and supported. Improved coordination at the federal level between agencies similarly engaged would facilitate greater coordination at the local level. Within a short time, defense downsizing will slow down, and the need to close bases will

pass. The need for long-term planning, greater coordination and shared goals in communities, states and regions, however, will continue as long as structural economic shifts continue. The employment and training community should be a permanent part of that effort.

To continue the efforts begun by the DCA demonstrations will require workforce development, economic development, and community development agencies at the federal, state, and local levels to recognize their common interests. By undertaking close coordination of activities and funding streams, agencies working together can realize enhanced outcomes for individual workers, firms, and communities. The community planning projects have demonstrated the effectiveness of coordinated efforts to address complex community impacts. To build on their initial successes, future programs will need to develop responses that are multi-dimensional, rather than one-dimensional, and that draw on areas of expertise that cross traditional program and disciplinary boundaries.

APPENDIX A

DEFENSE CONVERSION ADJUSTMENT PROJECT PROFILES

FACT SHEET: DEMONSTRATION PROJECT

CASTLE AIR FORCE BASE COMMUNITY PLANNING PROJECT

Project Location	Merced County, CA	***Grantee***	State of California Title III Office
Type of Approach	Community Planning	***Project Administrator***	Merced County Private Industry and Training Department; Merced County Department of Economic and Strategic Development
Period Covered by Grant	November 1992–April 1994		
Grant Amount	$56,000	***Key Contact***	Terry Easley, Project Manager, Merced County Department of Economic and Strategic Development
Geographic Area	Merced County		

Context

In 1991, the Base Realignment Commission (BRAC) recommended Castle Air Force Base (CAFB) for closure by the fall of 1995. The impact was expected to be devastating on the local economy: Merced County, largely rural and impoverished, had already been classified as "long-term economically deteriorated" by the Department of Commerce because of its chronic 15–20% unemployment rate. CAFB was one of the few providers of high-quality jobs; its closure was expected to displace over 16,000 individuals and remove over $100 million from the local economy.

Primary Goals

The Defense Conversion Adjustment (DCA) planning grant supported efforts to develop a coordinated strategy to mitigate the effects of the base closure on the Merced County business community. The project sought to:

- Research and prepare a report identifying economic development options for local communities affected by the base closure.
- Prepare and implement a county-wide strategic plan for linking private sector firms with new business opportunities in government contracting or international trade; training for a total of 80 firms in these areas would follow.

Key Players

- **The State of California Title III Office** — Formal DCA grantee.
- **Merced County Private Industry and Training Department** — Agency responsible for oversight and monitoring of the project.
- **Merced County Department of Economic and Strategic Development** — Primary administrative agency.
- **Subcontractors** — A variety of subcontractors assisted in data collection and outreach/training on international trade opportunities.

Significant Outcomes

- Preparation of a report identifying strategies for local economic development.
- 50 businesses affected by the base closing received information about international trade opportunities; 31 received instruction in government contracting.

CASTLE AIR FORCE BASE COMMUNITY PLANNING PROJECT
Merced, California

THE CONTEXT

Castle Air Force Base is located in Merced County in California's San Joaquin Valley. With a population of less than 200,000, Merced County is primarily rural. The vast majority of Merced County businesses are small: less than 3% have 50 or more employees, and most have far fewer. Merced County historically has had a relatively weak, agriculture-dependent economy, with an unemployment rate that averages between 15% and 20%. Good jobs are scarce. Many of the county's residents live in poverty.

Plans for closure of Castle Air Force Base, which had been an integral part of the Merced County economy since opening in 1941, were announced in 1991. The base entered a drawdown phase, with closure scheduled for the fall of 1995. At full operating strength, Castle had employed over 5,000 military personnel and approximately 1,200 civilians. Castle's closing was expected to have a severe impact on the local economy.

When the impending closure of Castle was announced in 1991, the three local governments most affected by the closing (Merced County and the cities of Atwater and Merced) quickly established a Joint Powers Authority (JPA) and applied for the Office of Economic Adjustment (OEA) funds to plan base reuse. Led by a dynamic director (a retired Castle Wing Commander), the JPA actively pursued a number of base reuse options. In order to generate more resources for community planning, the director of the Merced County Department of Economic and Strategic Development (MCDESD) applied for a small technical assistance grant from the U.S. Department of Commerce's Economic Development Administration. When this request was turned down, staff of the State of California's Title III office suggested that Merced apply for DCA demonstration funds under the community planning category. Staff of MCDSED then re-wrote the earlier proposal and submitted it jointly with the local Private Industry Council (PIC) and the Title III office.

GOALS AND STRATEGIES

The primary goal of this project was to help mitigate the impact of the base closure on the Merced County business community. The proposal specified that the project would achieve the following objectives:

- Research and prepare a report on economic development options for the communities surrounding the base.

- Research, prepare, publish and implement a community planning initiative which will encompass the communities surrounding Castle, and which identifies and examines

government contracting, international trade, and financing opportunities that are a compatible match with base-closure-impacted county business and dislocated workers.

- Provide training or consultation services to 80 impacted firms, 40 in government contracting and 40 in international trade.

- Create or retain jobs for 12 dislocated workers during the first 12 months following the completion of the community planning project, by identifying and planning job creation activities which result from the acquisition of a government or export contract by a base-closure-impacted county business.

KEY PLAYERS

The official grant recipient was the State of California Title III Office, which had little role in the project except to pass grant funds to the administrative agency, the Merced County Private Industry and Training Department.

Merced County Private Industry and Training Department (MCDESD). This agency's role was primarily administrative; it retained a small amount of grant funds for monitoring and oversight and subcontracted most of the substantive work of the project to the next three key players listed below. A branch of MCDESD, however, provided training to local firms on how to expand into government contracting.

Specialist in Economic Development. This researcher from the University of California researched and prepared the report on economic development options.

Local Association of Governments. This organization prepared demographic profiles for six cities and five unincorporated areas in Merced County to contribute to the economic development options report described above. The profiles were also designed to serve as stand-alone information sheets for businesses considering expanding within, or relocating to, Merced County.

Center for International Trade Development (CITD). The center developed an "export kit" and provided outreach, training, and consultation services to local businesses affected by the base closing to help these businesses expand into international markets.

Joint Powers Authority. Formed by three local governments-the county, the city of Atwater, and the city of Merced-this agency was the primary audience for the recommendations contained in the economic development options report.

THE IMPLEMENTATION EXPERIENCE

As described above, the project used two types of activities to help the Merced County business community respond to the base closing: (1) producing a report identifying economic

development options, and (2) providing assistance to firms that expected to be affected by the base closing.

Report on Economic Development Options

As a rural county facing a severe budget deficit, Merced County had few resources to devote to researching what the impact of Castle's closing would be on the area's economy and planning how to respond. To help meet the community's need for this kind of research, the project subcontracted with a rural economic development specialist at the University of California to prepare a report on economic development options. Through interviews with base and community officials, examination of demographic data, and review of reports on the economic development plans for other California base-closure communities, the consultant developed a list of 12 economic development goals for Merced County and the cities of Atwater and Merced, and described a range of options for implementing these goals.

Business Assistance Services

As described above, the project provided training and consultation services to local businesses affected by Castle's closing. This assistance was designed to help businesses expand into two markets: international trade and government contracting. For this component Merced planned to utilize services that already existed in the community. The Department of Labor, however, questioned whether the grant was paying for services that would have been offered even in the absence of the grant. The Department also expressed concern that the project was not tracking whether businesses receiving training and consultation services under the grant were affected by the base closing or not. The Department asked the project to do two things: (1) conduct a survey to identify businesses that expected to be adversely affected by the base closing and that wanted assistance in international trade and/or government contracting; and (2) keep track of the number of businesses served that would be affected by the base closing, in order to monitor whether the project was meeting its goals or not. The survey is described in detail below. To fulfill the second request (tracking how many businesses served were affected by the closing), the project developed a form for businesses to complete. This form asked each business to self-certify that it either had been, or expected to be, adversely affected by the base closing.

Expanding into International Markets

The international trade component was carried out by the CITD, which is affiliated with Merced College. For the demonstration, CITD conducted a survey of about 3,000 local businesses to identify those that expected to be affected by the base closure and needed assistance. Of the 114 businesses who returned the survey, 82 requested international trade assistance. A total of 63 businesses returning the survey indicated that they expected to be adversely affected by the closure. The 82 businesses requesting international trade assistance were sent an "Export Start-Up Kit," developed by CITD under the grant, and were mailed invitations to workshops and training. CITD staff also called all of these firms to ensure that they had obtained information on international trade opportunities and how to move into these new markets.

The project did not track how many of these businesses followed up and participated in training or consultation services. None of these services was developed specifically for the grant. In essence, this component of the project consisted of identifying firms that were interested in expanding into international trade, and letting them know about services available through CITD.

GOVERNMENT CONTRACTING ASSISTANCE

Another service offered to firms under this project was training and consultation in how to expand into government contracting, provided by a branch of MCDESD that specializes in these services. The CITD survey identified 76 businesses that wanted information on government contract assistance; 43 attended workshops or received one-on-one training in this area. Of these, 23 indicated that they would be affected by the base closure. Eight other businesses, recruited through other outreach mechanisms, were provided government contracting assistance through the grant. Like the international trade training and consultation services, none of the government contracting services provided to firms was developed specifically for this project. All of these services already existed in the community.

PROJECT OUTCOMES

This project faced severe constraints because of its very limited budget. Project planners underestimated the amount of administrative time that would be required to comply with the requirements of operating a Department of Labor (DOL)-funded demonstration. The project also ran into problems because some of the goals and tasks included in the proposal had not been well thought-out and defined by the proposal writers; as noted above, the proposal was originally prepared as an Economic Development Agency (EDA) technical assistance grant, and was only slightly modified to submit to DOL. Because of its past experience working with other federal agencies, the County did not expect this to be a problem; it expected that grant goals and activities could evolve over the course of the project. The Department of Labor wanted the project to stay with the goals and activities that had been described in the grant proposal.

Another area of difference that occurred between the County and the Department of Labor concerned the appropriateness of serving businesses that would not be directly affected by the base closure. The project designers intended to strengthen the local economy through working with any local business that could benefit from assistance in the areas of exporting or government contracting. The Department of Labor wanted the project to work only with businesses that would be affected directly by the base closure, and significant grant resources were devoted to identifying and documenting such businesses.

Although the report on economic development options was completed as planned, none of its economic development strategies had been adopted by the JPA or the County as of our last contact with the project during the fall of 1994. County staff reported that the report had not been well received by the JPA because it questioned the severity of the impact of Castle's closing on the local economy. The consultant's suggestion that the closing of Castle might not have a

catastrophic impact on the local economy, and might even prove beneficial over the long term, was not popular.

The chart below lists the objectives laid out in the project's proposal, and reviews the project's success in achieving each of them.

THE MERCED PROJECT
PROJECT OUTCOMES IN RELATION TO OBJECTIVES

Objectives	Outcomes
Research and prepare a report on economic development options for the communities surrounding the base.	Objective met. The consultant submitted a written report and gave an oral presentation to the Joint Powers Authority. The report included analysis of closure impact, a list of 12 strategic goals, and a variety of short-term, medium-term, and long-term options for achieving the goals. However, implementation of the report's recommendations seemed unlikely.
Research, publish, and implement a community planning initiative which will encompass the communities surrounding CAFB and which identifies and examines government contracting, international trade, and financing opportunities, which are a compatible match with base closure impacted county businesses and dislocated workers.	Objective not met. This was a broad, poorly defined objective, and beyond the scope of the project budget. The project dropped the community planning initiative and focused instead on training services (see below).
Provide training or consultation services to 80 impacted firms, 40 each in government contracting and international trade.	Objective met. 50 businesses affected by the base closing received information about international trade opportunities and 31 affected business received assistance in government contracting.
Create or retain jobs for 12 dislocated workers during the first 12 months following the completion of the community planning project, by identifying and planning job creation activities which result from the acquisition of a government or export contract by a base-closure-impacted county business.	Unknown whether objective met. As of the fall of 1994, no follow-up contacts had been made by project staff to determine the numbers of jobs created or retained by businesses that received assistance.

SUMMARY COMMENTS

Although the goals and strategies of this project were limited by the very small budget, this project addressed two elements necessary to any successful community response to a base closure:

- The project used research to formulate local economic development strategies.

- The project made an effort to strengthen local businesses to mitigate the impact of the closing on the local economy. Providing assistance to businesses to expand their markets in the areas of international trade and government contracting is an innovative concept, not attempted by any of the other DCA grantees.

The project was hampered by an unrealistically small budget, poorly-defined project goals and objectives, and differences in the expectations of the project planners and the Department of Labor in the areas described above. The small budget resulted in very diluted project activities: the component on researching and developing recommendations for economic development was very limited in scope, and the direct assistance provided to firms was also fairly minimal. The project may have succeeded in helping targeted firms "grow" their sales, avoid layoffs, and even expand their workforces. However, the project has not collected any follow-up data on firms' outcomes to date to document the effectiveness of its strategies to assist local firms.

In sum, this project sought to assist Merced County in two needed ways. Working with an unrealistically small budget, the project operators were successful in carrying out some of the planned activities. Project activities were limited in scope, but may have the potential for contributing to the improvement of the County's economy and job base by serving as a catalyst for further economic development efforts.

FACT SHEET: DEMONSTRATION PROJECT

CHARLESTON COUNTY NAVAL COMPLEX COMMUNITY PLANNING PROJECT

Project Location	Charleston County, SC	***Grantee***	Employment Training Administration (ETA), the Private Industry Council for the Charleston area
Type of Approach	Community Planning		
Period Covered by Grant	November 1993–October 1995		
Grant Amount	$500,000	***Project Administrators***	Employment Training Administration
Geographic Area	The "Trident" area, a three-county region along South Carolina's Atlantic coast	***Key Contact***	Bill Griffin, Project Manager, ETA

Context

The Trident area is among the most dependent on federal defense spending of any region in the U.S. Since 1989, reductions in defense expenditures and the closures associated with the Charleston Naval Complex have resulted in the direct and indirect loss of over 33,000 jobs. Moreover, these jobs were among the highest paying in the area. Local officials estimate that realignments will result in the removal of one of every three dollars from the local economy by the end of 1996.

Primary Goals

The Defense Conversion Adjustment (DCA) planning grant supported a regional approach to addressing the needs of the Trident communities. The project sought to:

- Produce an economic profile of the Trident region to inform the development of a community-based strategic plan.
- Develop a coalition between economic development actors, local educational institutions, and the employment and training community to develop effective strategies for intervention and economic revitalization.
- Develop a plan for a "one-stop shop" that would bring together comprehensive services for dislocated workers.

Key Players

- **Employment Training Administration** — Formal DCA grantee, provided leadership and overall guidance to the project.
- **In Support of Trident Area Committee** and **Building Economic Solutions Together Policy Committee** — Although now defunct, these two organizations laid the foundation for a broad-based partnership that coordinated the development of a regional response to defense downsizing.
- **Multiple Project Partners** — public sector and private non-profit agencies participated in assessment, information gathering, and planning for developing and implementing a strategic plan for coordinated service delivery.

Significant Outcomes

- Project compiled critical information, including impact assessments and labor market data.
- Project established partnerships between rapid-response, training and human-service providers, and economic development agencies.
- Project piloted innovative training programs for dislocated workers and developed elaborate plans for a "one-stop" service center.

CHARLESTON COUNTY NAVAL COMPLEX COMMUNITY PLANNING PROJECT

Charleston, South Carolina

THE CONTEXT

The Charleston County Naval Complex Community Planning Project serves the Trident area, a three-county region on South Carolina's Atlantic coast. Trident includes urban Charleston (population 70,000) and its fast growing suburbs and satellite cities, as well as numerous military installations and large reserves. The economic drivers of the area are the huge Charleston Naval Complex[1], a large private container port, tourism, and textile production.

The Trident area is among the most dependent on federal spending in the U.S. Though located in a relatively poor region, the people of Charleston prospered in recent years and military spending was the main contributor to that success. The unemployment rate had not significantly exceeded 3.5% since the big recession in the mid-1970's, and the city became increasingly affluent during the military build-up of the 1980's. Charleston enjoyed the benefits of being home to a very large air force base specializing in airlift, several aircraft carriers, scores of support ships, and a number of Trident nuclear submarines, as well as the Navy Shipyard. Well-paid defense jobs led to a relatively high standard of living for residents.

Trident started losing defense-dependent jobs to workforce reductions as early as 1989, took a huge hit from the Base Realignment and Closure Commission in 1993, and has suffered other reductions since. After planned reductions in force through 1996, over 13,000 direct jobs and an estimated 20,356 indirect jobs will have been lost. These losses represent Charleston's most lucrative jobs. The average yearly salary for *individual* complex workers was approximately $38,000, in contrast to the typical *family* income in the Charleston area of approximately $18,200. One local official summed up the impact of the closure, "Put in simple terms: nearly one in every seven jobs will be lost; one in every three dollars removed from the economy."

[1]The Naval Complex is a group of Navy and other military installations of varying sizes, most of which were located on the Charleston Naval Base (though other smaller installations were distributed around the Charleston area). The major installations are the Naval Shipyard (which most recently overhauled Navy surface vessels and dismantled old nuclear submarines), the Naval Station (once home port to a number of Navy vessels), the Naval Weapons Station (which designs and tests weapon systems), the Naval Hospital, and the Naval Supply Center and Defense Depot (which handle supplies and materials for Naval and other military activities in the Southeast). Most of the civilian dislocations have occurred or will occur from the Complex's largest installation, the Naval Shipyard.

GOALS AND STRATEGIES

The Charleston County Naval Complex Community Planning Project sought to plan a community response to very large dislocations associated with the downsizing of the Naval Complex. The project had a broad scope of work, including the gathering and analyzing of information to support planning efforts, coordinating existing dislocation services, developing training demonstrations, and designing a "one-stop shop."

The project specified ten objectives grouped under three broad goals:

Goal #1: Produce an economic profile of the Trident region that will identify its strengths, weaknesses, and opportunities to assist in the development of a comprehensive community adjustment plan.

1. Create the Trident Planning Information Consortium, an organization of planning and economic development officials, to facilitate reliable, effective use of decision support systems by providing a comprehensive regional database for organizations responsible for employment and training services, job development, social services delivery, and other services.

2. Create a network of decision support systems to assist organizations responsible for employment and training services, job development, social services delivery, and other organizations involved in planning.

3. Conduct a labor market study of businesses impacted by the closure to facilitate identification of businesses at-risk due to the closure, as well as identification of job vacancies and hiring plans.

4. Conduct a workforce assessment of closure-impacted defense workers to assist planners in identifying and filling gaps in current programs designed to meet immediate and long term needs of workers.

Goal #2: Develop a coalition between economic development entities, educational institutions, and the employment and training community, in order to develop effective strategies (i.e., innovative rapid response, entrepreneurial development, and worker credentialing) to revitalize the economic base of the Trident area.

5. Develop and implement a plan for delivery of rapid response services to Naval Complex subcontractors.

6. Establish an interface between the groups providing worker adjustment services and those involved in job creation activities.

7. Create an entrepreneurial training pilot program.

8. Develop and test a manufacturing credential program.

9. Expand existing rapid response services to include the involvement of non-traditional entities.

Goal #3: Develop a plan for a "one-stop shop" that will bring together comprehensive services for displaced workers affected by the Naval Complex closures.

10. Develop and implement a plan that will combine under one roof human service providers and worker adjustment entities—a "one-stop career center."

Finally, the project was designed to culminate in the development of a comprehensive planning document. The community adjustment plan would include detailed documentation of the activities and accomplishments of the project.

KEY PLAYERS

The lead agency for the project was the Charleston County Government, Employment and Training Administration. A number of other public and private organizations were project partners, including two community based planning organizations, the Metro Chamber of Commerce, the Naval Complex Title III Labor Management Committee, the South Carolina Employment Security Commissions, the Berkeley-Charleston-Dorchester Council of Governments, and the Charleston County Planning Department. The groundwork for the partnership was laid in the work of two community based planning organizations, the In Support of Trident Area Committee and the Building Economic Solutions Together Committee, both now defunct.

The **Employment and Training Administration** , the grant recipient, is the Private Industry Council for the Charleston area. It was responsible for project management, including project implementation and timely completion of planned activities. The Employment and Training Administration hired three staff for the project, including a Project Manager, a Contract Compliance Officer, and a Secretary. The Project Manager was chiefly responsible for coordinating the many activities of the project partners.

The **Building Economic Solutions Together (BEST) Policy Committee** was the "Governor's designated economic recovery entity" when the proposal was written. BEST was responsible for developing a reuse plan for the Naval Complex. However, by the time the project was operational, BEST had been removed from consideration as the redevelopment authority and was no longer active. However, two subcommittees, the Human Services Task Force and Retraining Task Force, continued to meet and to serve as informal resources to the project staff. Similarly, the project staff enlisted BEST or one or more of its subcommittees to help develop a plan to deliver rapid response services to Naval Complex sub-contractors (Objective 5).

The **In Support of Trident Area (ISTA) Committee** was formed to respond to the first large dislocations at the Naval Complex in 1989. Its membership was made up of representatives of regional human service agencies, although its key members were the staff of employment and training and economic development entities at the state and local levels. ISTA largely concerned itself with coordinating linkages among the state and regional Title III provider (South Carolina Employment Security Commission), the local Title III provider (Employment and Training Administration), and

the Navy's on-base Transition Center. ISTA laid the groundwork for state, regional, county, and municipal cooperation, and eventually, planning. In Support of Trident Area was not active during part of the performance period; project staff hoped that ISTA would remobilize to assist in the development of a plan for a one-stop shop (Objective 10).

The **Metro Chamber of Commerce** was heavily involved in project activities. Its Center for Business Research conducted a mail survey of local businesses to assess the employment impact of the Complex closure (Objective 3). The survey was designed by a task force, whose members included representatives of most of the project partners (particularly the Berkeley-Charleston-Dorchester Council of Governments), as well as several key business owners and academics. The Center for Business Research was also expected to provide access to business data from the survey and previous research efforts, as well as other assistance, for the creation of the Information Consortium (Objective 1). Another arm of the Metro Chamber of Commerce, reconstituted as the Charleston Regional Development Alliance, was called upon to assist in the design and execution of the survey and played a key role in the development of a worker adjustment plan associated with the workforce assessment (Objective 4).

The **Naval Shipyard Labor Management Committee** (LMC) was a six-member labor management team created to oversee implementation of a $500,000 Defense Conversion Adjustment Discretionary Grant for workers dislocated from the Naval Shipyard. For the purposes of the demonstration project, it served as an ad hoc committee to the private industry council (i.e., Employment and Training Administration) to assist in the development of a workforce assessment of closure-impacted defense workers (Objective 4). The LMC also helped to select workers to participate in the Entrepreneurial Training and Manufacturing Credential pilot projects (Objectives 7 and 8, respectively).

The **South Carolina Employment Security Commission (SCESC)** was responsible for the state's unemployment insurance and Job Service, acted as the Job Training Partnership Act (JTPA) administrative entity, coordinated Rapid Response, and maintained memoranda of agreement with private industry councils to deliver Title III basic readjustment services (eligibility determination and assessment). The Employment Security Commission Area Director was responsible for the Title III services offered at the base Transition Center. The Employment Security Commission played several key roles in the demonstration. It was responsible for coordinating, implementing, and expanding Rapid Response services to involve non-traditional entities, such as social service agencies (Objective 9), and determining eligibility of applicants to the Entrepreneurial Training and Manufacturing Credential pilot projects (Objectives 7 and 8, respectively). The Employment Security Commission assisted in the development and implementation of the One-Stop Shop (Objective 10), and the preparation of the Community Adjustment Plan.

The **Berkeley-Charleston-Dorchester Council of Governments (BCD-COG)** is the regional planning agency, providing grants administration, economic development, long-range planning, and governmental management assistance to the Trident area. For the demonstration project, the Council of Governments (COG) was responsible for the development of the Information Consortium (Objective 1), the creation of a network of decision support systems using a comprehensive regional database as a tool for decision making for economic recovery (Objective 2),

supporting the Center for Business Research's labor market survey (Objective 3), and facilitating the cooperation of Berkeley and Dorchester counties in the development of the Community Adjustment Plan.

The **Charleston County Planning Department** was a key player in the development of the Information Consortium (Objective 1), the network of decision support systems (Objective 2), and the Community Adjustment Plan.

Many of the objectives required close collaboration among several project partners. Most respondents agreed that the project partners worked well together. The project and its partners entered into cooperative agreements, a mechanism used to clearly delineate the responsibilities of each party to the agreement. In fact, during the early stages of the project, much of the Project Manager's time was used to develop the cooperative agreements. After agreements were finalized, the Project Manager played the role of a facilitator, coordinating the many activities and partners. This was typically done through meetings among relevant project partners.

THE IMPLEMENTATION EXPERIENCE

INVOLVEMENT WITH PLANNING BODIES

The project was not designed to form or operate planning bodies. This was perhaps for the best, since many planning bodies were already active in the community. However, the project received considerable support and input from two planning bodies (which later disbanded): the In Support of Trident Area and Building Economic Solutions Together Policy Committees. Descriptions of these organizations and their roles in the project are in the Key Players section above.

COLLECTION AND ASSESSMENT OF INFORMATION

The community planning grant's emphasis was on collecting and analyzing information that would facilitate a strategic plan to respond to the employment and training needs of workers and businesses affected by the closure. The project's first goal—Produce an Economic Profile of the Trident Region—was primarily concerned with the collection and assessment of information and the bulk of the resources allocated to the project were devoted to this goal. Activities carried out to assess impacts of the closure are described next.

The Trident Planning Information Consortium was designed to facilitate reliable, effective use of decision support systems by providing a comprehensive regional database for organizations responsible for employment and training services, job development, social services delivery, and other services. (The Consortium was created in part to develop and maintain the decision support systems described in Objective 2, below.) A planning group, made up of key staff from the COG, the planning directors of each of the three counties, and the director of the Center for Business Development, was convened, and met monthly. The planning group defined the goals of the Consortium, completed an inventory of types of information it would likely include, and developed a proposal with the Charleston County Library to house the Consortium's data—called the Trident

Economic Clearinghouse Network—in the new Main Charleston Library to be completed in 1997. Other planned activities were not completed.

The network of decision support systems, a complex on-line arrangement linking a variety of databases and resources together was conceived to assist organizations responsible for employment and training services, job development, social services delivery, and other organizations involved in planning. The Berkeley-Charleston-Dorchester Council of Governments, the Metro Chamber of Commerce Center for Business Research, and project staff, supported by limited outside consulting services, developed the system. The system effectively integrates maps and data from planning and economic development databases, and was intended to be used by individuals engaged in planning. However, once underway, project partners agreed resources were not sufficient to fully implement the idea, and a smaller version was developed instead. This prototype, it was hoped, would be used to mobilize funding for completion of the project. Interest was apparently insufficient, and by the end of the project, it appeared to be unlikely that funding would be found.

Project planners hoped that the labor market study of businesses impacted by the closure of the Naval Complex would identify businesses at-risk due to the closure, as well as identify job vacancies and hiring plans. The Metro Chamber of Commerce Center for Business Research performed a mail survey of over 3,000 existing businesses in the Trident area and conducted in-depth interviews with 100 key area employers. The sample was obtained from an Office of Economic Adjustment (OEA) list of prime contractors in the area and two Naval Supply Center lists of local prime and subcontractors. Results were tabulated and published by the project. Some of the findings were surprising to planners. For example, few businesses reported serious impacts from the closure, except for small service enterprises such as bars and dry cleaners. The results of this survey caused planners to shift gears somewhat.

The workforce assessment of closure-impacted defense workers was performed to allow planners to identify and fill gaps in current programs to meet immediate and long term needs of dislocated workers. Data on workers were collected using a form already in use by the Naval Shipyard Transition Center. Project staff conducted the analysis and prepared a detailed report, which described the characteristics and workskills of 2,605 dislocated workers. The report was distributed to the major players in the conversion effort.

Plans to Assist Affected Businesses and Workers

The project was also involved in planning services to businesses and workers, especially those that were directly affected by the Complex closure.

The development and implementation of a plan for delivery of rapid response services to naval complex subcontractors was designed such that project staff would, with information derived from the labor market study of businesses impacted by the closure (Objective 3), be able to (1) establish contact with all Naval Complex subcontractors to develop aversion strategies, (2) coordinate with appropriate state and local economic development entities to develop a strategic plan for assisting such businesses, and (3) identify area businesses that anticipated expansion or employment vacancies and develop priority hiring agreements for workers who may be placed prior to actual dislocation.

However, the labor market survey indicated very little need for these services and instead the project moved to improve the quality of rapid response services. A media consultant was hired to create a kit to help small- and medium-sized businesses determine if they were at risk and to provide some resources to allow the business to address the problem. The "Business Check-up Kit" was distributed by the Trident Chamber of Commerce and it will be their continued responsibility to print, distribute, and update the kit in the future.

The establishment of an interface between the groups providing worker adjustment services and those involved in job creation activities was designed to improve the effectiveness of worker services by improving planning and integration of services. Unfortunately, early efforts at developing linkages among the organizations floundered, in part because of the volatility of the organizational and political environment. Instead, the project planned and hosted two forums, one on existing businesses and expansion, another on the recruiting of new industries to the area. The forums were attended by representatives of county and state economic development offices, the Naval Complex Transition Center, the SCESC, Charleston Redevelopment Authority, the BCD-COG, as well as project staff.

The creation of an entrepreneurial training pilot program served to test the provision of entrepreneurial training to dislocated workers. The training was marketed by word of mouth, informal recruiting by staff of project partners, and announcements distributed through e-mail, bulletin board placements, and the Charleston Naval Complex (CNC) newsletter. The demo recruited participants with the advice of SCESC, the Employment and Training Administration, and Transition Center staff. Forty-one potential participants were tested for Title III eligibility and then completed a self-assessment of entrepreneurial qualities. Screening was conducted by a committee made up of two contractor representatives, business and industry experts, two members of the LMC, and the Planning Grant staff. Potential participants were invited to an orientation session, which focused on the realities of business start-up (e.g., market research, start-up costs, long hours). Training itself took place eight hours each day for 12 consecutive Saturdays. At the conclusion of training, each participant completed a business plan. They were then assigned a business mentor, an entrepreneur working in an area similar to the participants' interests. Participants were offered continued business counseling for a period of one year (ending December 1995). Of the ten participants, only one had decided not to pursue entrepreneurship at the end of this period.

The development and testing of a manufacturing credential program was designed to test the provision of training in manufacturing planning. However, project staff decided that there was insufficient time and resources to do a course offering credentialing, so the effort was scaled back to provide a "familiarization" with the industrial production planning package Manufacturing Resource Planning. First, staff held a local industry forum to seek out consensus and agreement among local manufacturers about the need and content of the envisioned training. (The forum participants also agreed to consider hiring graduates of the training.) The demonstration recruited 10 participants with the advice of SCESC, ETA, and Transition Center staff. Participant selection was primarily done by a committee made up of Planning Grant staff, a job developer from the Transition Center, and members of the LMC. All participants were still employed, typically in planning and estimating, production control, expediting, and inventory control. Training itself took place over six weeks, two nights each for two hours. At the conclusion of training, each participant completed a resume to reflect their experience and new training. The resumes were forwarded to the participants in the business forum.

The expansion of existing rapid response services to include the involvement of non-traditional entities was designed to allow project staff to (1) provide expanded rapid response

assistance to the employers of workers impacted by the Naval Complex closures, (2) develop a worker-based early intervention strategy for all impacted workers, (3) assist in the development and dissemination of an all-inclusive resources directory defining and explaining available services, and (4) coordinate with businesses identified in Objective 3 to facilitate group orientation sessions for impacted workers, and (5) assist in the development of, and provide staff support to, employer-supported job clubs. However, data collected through Objectives 2 and 3 indicated little need for these services. Instead, project staff and SCESC agreed to develop a comprehensive guide to local social services for dislocated workers with the help of the Trident chapter of the United Way. The guide included advice and contact information for established public sector service providers as well as private non-profit organizations working in areas such as domestic violence. A second effort involved seeking funding for the United Way to operate a comprehensive 800-number "hotline" for dislocated workers, which was not completed.

The project used part of the grant to support the development of a "one-stop career center". Utilizing the data obtained from Objectives 1 through 4, the project staff conducted an assessment of the staff and physical facility requirements needed to bring together Trident area human service providers to serve base workers. A detailed plan for an elaborate one-stop center was developed, largely by project and SCESC staff.

PROJECT OUTCOMES

The Charleston project was largely successful in achieving its objectives. Outcomes for the ten objectives are summarized in the chart below.

THE CHARLESTON PROJECT
PROJECT OUTCOMES IN RELATION TO OBJECTIVES

Objectives	Outcomes
1. Create a Trident Planning Information Consortium.	Objective partly met. The Consortium was developed, but it was unable to support implementation of Objective 2 or implement the development of planned data bases.
2. Create a Network of Decision Support Systems.	Objective partly met. An effective *demonstration* system (i.e., of limited scale and scope) was developed.
3. Conduct a Labor Market Study of Businesses Impacted by the Closure of the Naval Complex.	Objective met. A two-part survey was conducted and the results published by the project.
4. Conduct a Workforce Assessment of Closure-impacted Defense Workers.	Objective met. An exhaustive analysis of the dislocated workers was performed and published by the project.
5. Develop and Implement a Plan for Delivery of Rapid Response Services to Naval Complex Subcontractors.	Objective partly met. The project developed an outreach package to improve local business access to rapid response services.
6. Establish an Interface Between the Worker Adjustment Services Providers and Job Creation Entities.	Objective partly met. Two business development forums featuring worker adjustment service providers and economic development officials were held.
7. Create a Demonstration Entrepreneurial Training Program.	Objective met. Ten dislocated workers completed entrepreneurial training and the effort was evaluated by the project.
8. Develop a Demonstration Manufacturing Credential Program.	Objective partly met. Ten dislocated workers completed a familiarization course on Manufacturing Resource Planning.
9. Expand Existing Rapid Response Services to Include the Involvement of Non-Traditional Entities.	Objective partly met. A guide to local social services for dislocated workers was developed.
10. Develop and Implement a Plan to Co-locate and Coordinate Human Service Providers and Worker Adjustment Entities.	Objective partly met. A detailed plan was developed, but not implemented.

In addition to the above mentioned activities, the Planning Grant staff contributed material to the *Charleston Naval Complex Workforce Special Report*. The Special Report is a glossy, magazine-like publication, designed to be used for outreach among existing and new employers in the area. The Special Report was included in Trident Chamber of Commerce packages sent to businesses contemplating a move to the area.

Finally, towards the end of the project, staff drafted a "Community Adjustment Plan". The Plan included detailed documentation of the activities and accomplishments of the project. It is somewhat unclear who the intended audience for this report was, other than DOL.

SUMMARY COMMENTS

The project's successes can be attributed to a number of strengths in the way it was planned and organized:

- ***The project procured the participation and/or support of most of the key players in the Charleston economic development and human services community.*** Individuals associated with two broad-based, but no longer active planning groups, In Support of Trident Area and Building Economic Solutions Together, displayed strong support for the project.

- ***The project partners, for the most part, worked together well.*** The number, complexity, and interdependence of the planned activities could have proved the undoing of a more fractious group.

- ***The project's goals encompassed all elements of a successful planning process.*** While the project was quite complex, both in terms of cross-cutting objectives and the inter-relationships of the partners, proposed tasks were comprehensive and logically sequenced.

- ***The project designers chose to use a portion of the grant to conduct two pilot projects to assist workers.*** This was an innovative and appropriate use of planning funds.

- ***A core part of the design was to attempt to link employment and training plans with economic development plans.*** Planners recognized that these types of linkages lie at the heart of an exemplary planning process.

Some of the project's mistakes and weak points provide lessons that may be applied to future endeavors of its type:

- Project start-up, including identifying key stakeholders and players, tends to take much longer than planners expect. The project's designers underestimated the time necessary to start up the project, e.g., buying materials, hiring staff, and establishing cooperative agreements. Because the administrative entity was formally the Charleston County Government, most agreements had to be procured through a competitive bidding process, causing further delays, and affecting the sequencing of activities.

- Goals need to be realistic. In addition, planners should expect that sometimes goals will need to change, in response to new information and changing circumstances. The numerous delays of scheduled activities suggests that the proposal may have been too ambitious. Planning and completing so many tasks within a short period of time and with limited resources overwhelmed the available staff and resources.

- Projects need to establish, or at least join, a central planning body. Projects also need to identify a clear audience for their reports. The project neither created nor joined a planning group that could provide oversight for all project activities and ensure that they were closely integrated with other plans that were underway in Charleston. This resulted in the "marginalization" of Defense Conversion Adjustment-grant funded activities and undermined the potential of this elegantly designed project to link the agendas of human resources planning and economic development planning.

- Project leaders should have the "political clout" to get things done. The Employment and Training Administration had little power to compel other project partners to comply with planning activities. Thus, while project partners typically collaborated well, delays in project implementation multiplied because the Employment and Training Administration could not control the important purse strings for many of the objectives.

FACT SHEET: DEMONSTRATION PROJECT

NEW ENGLAND DEFENSE CONVERSION PLANNING AND TECHNICAL ASSISTANCE PROJECT

Project Location	Bucksport, ME	***Grantee***	Training and Development Corporation (TDC)
Type of Approach	Community Planning	***Project Administrators***	TDC; Hay Management Consultants; the New England Council
Period Covered by Grant	November 1993–June 1995	***Key Contact***	Bruce Vermeulen, Senior Project Officer, TDC
Grant Amount	$499,941	***Geographic Area***	Six New England States

Context

During the 1980's, the economies of the New England states were buffered from the national decline in manufacturing by the growth in defense-based manufacturing. Substantial reductions in defense spending during recent years, however, have dramatically affected the interdependent economies of the New England States. The closure of several military bases combined with downsizing by many large defense contractors and subcontractors has affected all sectors of the regional economy. Direct revenue losses resulting from cuts in defense procurement totaled $6 billion by 1993.

Primary Goals

The Defense Conversion Adjustment (DCA) planning grant supported a regional approach to addressing the needs of communities severely affected by defense downsizing. The project sought to:

- Establish a Task Force with broad membership to inform the development of a region-wide strategic plan.
- Assess the impact of defense downsizing in the region; identify the labor needs of private industry, the training needs of dislocated and at-risk workers, and the capacity of training providers to meet the needs of both groups.
- Produce a report to identify strategies, proposals, and recommendations for regional action to accelerate growth and economic development.
- Mobilize institutional and financial support to prepare for implementation.

Key Players

- **Training and Development Corporation** — Formal DCA grantee, provided leadership and overall guidance to the project.
- **Hay Management Consultants** — Played crucial role in establishing the Task Force and providing expertise and high-quality information to guide the project.
- **The New England Council** — Regional association of businesses, insured the participation of private-sector employers.
- **Other Project Partners** — A labor advocacy organization and two consulting firms specializing in adult education and job training also played important roles.

Significant Outcomes

- Mobilized a regional community Task Force that was broad-based, active throughout the grant period, and successful in producing planned reports.
- Compiled important data to inform regional economic development planning.
- At the time the project ended, the Task Force had not succeeded in securing funding to implement recommendations.

NEW ENGLAND DEFENSE CONVERSION PLANNING AND TECHNICAL ASSISTANCE PROJECT
(Six New England States)

THE CONTEXT

Prior to the 1980's, manufacturing was one of New England's key strengths. A wide variety of manufacturing firms from iron works and shipbuilding to small-scale machine shops employed a significant portion of the labor force. In recent years, however, the region's economy has been in the midst of a jarring transformation from manufacturing and heavy industry to trade and services. Faced with global competition, manufacturers with aging physical plants and equipment and high labor costs have been unable to keep pace with cheaper production available in other regions of the U.S. and overseas. As a result, layoffs and dislocation in New England have been high, and have disproportionately affected higher wage manufacturing employment. Replacement jobs are few in number and offer substantially lower wages.

New England states vary in their economic mix and urbanicity. A substantial sector of the economies of Massachusetts, Connecticut, and Rhode Island have large, declining manufacturing industries. Maine, New Hampshire, and Vermont, on the other hand, consist of smaller towns and regional centers for trade and manufacturing. Although New England states' economies differ, they are interdependent. Many workers commute across state borders to work and shop. Thus, large layoffs at a company in one state may significantly impact the nearby communities in bordering states.

Throughout the 1980's, New England enjoyed the highest level of defense spending per capita of any region. In 1986, per capita defense expenditures in the region totaled $1,440, compared to $1,200 in California and an average of $600 nationwide. This high level of defense-related manufacturing helped to disguise the decline in commercial manufacturing during this decade. As a result, when defense spending started to contract in the late 1980's, the loss of the remaining high quality manufacturing jobs was sharply felt. Between 1986 and 1990, per capita spending for defense prime contracts fell $385 in New England, compared to a decline of $125 in the rest of the U.S. As of 1993, direct losses in New England stemming from defense curtailments totaled around $6 billion.

The defense spend-down has put many New England workers at risk. Every New England state except Vermont has higher than average employment in defense (between five and six percent compared to the national average of two and one-half percent). The reduced procurements at large prime contractors in turn have reduced the purchasing power of the defense workforce. As a result, many non-defense jobs have also been affected. For example, cuts at Electric Boat in 1992 affected thousands of workers, many of whom lived in Connecticut, Rhode Island, and Massachusetts. These losses sent shock waves through local communities in neighboring states where smaller supplier firms were forced to reduce operations or shut down. The demonstration project estimates that direct and indirect job losses will total 30% of New England's workforce.

GOALS AND STRATEGIES

Unique among the community planning demonstrations, this project promoted regional cooperation and consensus building to address economic decline throughout New England. Project participants recognized that states were already responding to economic problems fueled by reduced spending on defense. Rather than interfere with the momentum of each individual state, the project sought to focus on solutions and interventions that could be best accomplished as a region. Project participants also focused on developing high value-added solutions to the economic problems shared by all states; that is, solutions that would maximize benefits to all states, to employers, and to workers.

The planning project was designed to take place in two stages. During the first year a Task Force would be developed with broad membership from business, government, education, social services, and citizens. The Task Force's mission would be to identify how the six states could cooperate to support the expansion of existing businesses, identify new products and services, and develop new markets to stimulate economic growth. During a second year, Task Force members would help articulate the findings from the first year and begin implementing a wide range of projects that required united action by New England states. The Defense Conversion Adjustment (DCA) grant supported only the first phase of planning activities. The project, unfortunately, was unable to obtain funding to support the second phase of planning and implementation. The objectives of this project were as follows:

- Create and regularly convene a Task Force.
- Collect and summarize information from recent studies about the impacts of defense conversion on the New England economy.
- Develop a regional inventory of information and analysis about impacts of defense cuts on New England firms and their needs for conversion.
- Develop a regional inventory and analysis about the impacts of defense cuts on New England workers and their needs for retraining.
- Develop a profile of defense workers who are at risk of losing their jobs.
- Identify and codify occupational cross-walks from military to commercial jobs.
- Determine the preparedness of education and training institutions to serve employers and workers.
- Seed a process of collaboration for retraining and redeploying workers.
- Develop a coherent set of strategies, proposals and recommendations for regional action to accelerate the growth of the region's commercial capacity.

- Produce a Final Report profiling defense conversion potential resources, and needs in New England.

- Mobilize in-kind contributions and raise money to develop, advance, and implement elements of the strategy which emerges from the Task Force.

KEY PLAYERS

This planning project was initiated as a partnership among three organizations with different but complimentary capabilities. The Training and Development Corporation, a not-for-profit organization with nationally recognized expertise delivering employment and training services, provided the leadership that was essential for the project's success. Hay Management Consultants, a private consulting firm, and The New England Council, an organization supporting regional business interests, also helped to plan, coordinate, and lead activities for the project. The overall effort involved several other key organizations.

Training and Development Corporation (TDC), the DCA grantee, was a provider of the Job Training Partnership Act (JTPA) programs and possessed detailed information about the needs of transitioning workers. TDC's project coordinator worked nearly full time and provided substantial leadership and guidance to the project. His role was crucial to the success of the project and included facilitating Task Force meetings, summarizing research, and reporting Work Group activities to project participants. Task Force members largely credited TDC's project coordinator with helping the project achieve its mission.

Hay Management Consultants, specializing in workforce organization, training and management, assisted TDC in organizing and leading Task Force meetings. Staff at Hay provided expertise about the training needs of at-risk workers and about issues related to staff development in organizations experiencing change.

The New England Council is among the region's foremost business associations. This organization was indispensable for its ability to bring businesses into the process of planning New England's future.

A Call to Action, a research and advocacy organization with close ties to labor unions, assisted the project in obtaining input from union workers and provided research and information about the training needs of current and dislocated workers.

Directions, Inc. specializes in occupational training for a wide range of workers. Staff from this company developed a guide on how to construct occupational bridges that link skills used in defense jobs with those used in commercial jobs.

The **National Education Corporation**, a company specializing in a broad range of adult education and training, was available to provide advice about training adults in transition.

THE IMPLEMENTATION EXPERIENCE

The New England project accomplished most of its ambitious objectives in the twelve months it operated, without an extension and without additional funding. The primary vehicle for accomplishing the work of the project was the New England Defense Conversion Task Force. During the first several months of the grant, the three project partners—TDC, Hay, and the New England Council —worked together to identify and recruit Task Force members. The make-up of the Task Force was considered crucial for the project's success, and required broad membership from leaders in business, government, education, and social services to develop strategies for economic stability and growth. Project partners reasoned that broad membership would foster a great variety of options while preventing one group or another from dominating the Task Force's agenda. Staff understood that participants would advocate for their main interests, but they hoped that in a collective body these individual causes would be balanced by the interests of others.

By the summer of 1994, the project had recruited nearly 70 members from a broad cross-section of New England's business and policy communities. While not all 70 members were active throughout the demonstration, project staff believed they consistently obtained vital input from about 40 members. The input from this core group largely determined the direction of the final recommendations. Missing from this core group was participation by members of the higher education community. These members were needed to achieve the project's objective of assessing the preparedness of educational institutions to serve employers and workers. Project staff believed that the lack of participation by these members was among the reasons this objective was not met.

The project partners initiated the Task Force's activities in August by hosting a two-day retreat in Maine. Prior to the meeting project staff provided each participant with well-researched background information. They also developed a plan for structuring the activities of the Task Force as well as goals for the project. Work Groups would address specific issues related to coordinating the region's economic growth and development and report their findings and recommendations to the larger Task Force to be refined and adopted. Six Work Groups were created to cover the following areas of concern: (1) Business and Work Environments, (2) Public Awareness and Commitment, (3) Legislative Agenda, (4) Integrated Transportation, (5) Environmental Studies, and (6) Communications and Information. Work Groups were comprised of participants with particular expertise or special interest in their areas. While the Task Force met throughout the year in six general meetings, Work Groups met separately, sometimes in conjunction with the Task Force.

Information gathering was among the project's key activities. TDC was largely responsible for ensuring that accurate information was shared with all Task Force members to guide the decision-making process. This process included collecting new information, synthesizing existing information, and reviewing and summarizing information provided by individual Work Groups for the Task Force. TDC typically distributed the information to Task Force members through a series of project Working Papers and summaries of Work Group progress. Key information provided by the project included:

- Background information about economic development issues common to all New England states.

- Results of focus groups with defense firms on their transition/diversification needs.
- Results of focus groups with at-risk and dislocated workers on their training needs.
- A longitudinal study of the impact of defense downsizing on the region's workforce and dislocated workers' post-layoff experiences.
- Information about the capabilities and needs of the existing employment and training programs.
- Information about the capabilities and needs of specific industries (communications, transportation, and environmental remediation).
- A guide to help bridge the skills used in defense jobs with those used in commercial jobs.

The project's format for decision making discouraged fractious debate and fostered a high level of individual input. Decisions in the Task Force were made by consensus, with each member having the power to veto any recommendation. Work Groups typically submitted their findings and recommendations to the TDC coordinator, who ensured that they were distributed to all members in time for review before Task Force meetings. TDC facilitated deliberations by working with members to craft the language in a manner agreeable to all. This often required a delicate balance between accomplishing the project's broad mission and supporting very specific initiatives. Yet, project partners were successful in obtaining wide agreement from participants about most issues. Task Force members attributed the successful decision making to the project's clear goals and mission, and to the high commitment of the members.

The specific findings and recommendations adopted by the Task Force were contained in the Final Report of the New England Defense Conversion Task Force. It was hoped that this report would be the springboard for further action in the second phase. If the project had received funding for a second phase, staff would have followed through with their plan to widely disseminate its findings through a formal marketing campaign and generate support for the regional plan of action. Actual distribution of the Final Report was much more limited, however, leaving to individual Task Force members the job of informing states about project's recommendations.

The Final Report focused largely on the Task Force's findings related to (1) improving the region's business environment, (2) creating an effective system of workforce development and transition, and (3) designing and improving key aspects of the region's economic infrastructure. These key findings are highlighted in the discussion that follows.

IMPROVING NEW ENGLAND'S BUSINESS ENVIRONMENT

To help avert further layoffs and increase investment in the region's industries, the Task Force needed to identify key impediments to commercial growth and find ways of making the region more attractive to employers. The Task Force had to contend with the fact that New England is a costly place to do business:

- The cost of energy is thirty to forty percent higher than in other regions of the nation.
- Permitting for new development takes three to four times longer than it does in other countries with which New England must compete.
- Technological innovation and conversion of defense firms to commercial work has been slow.
- Public investment in technology is rarely available to create incentives for entrepreneurial endeavors that support the retention or creation of good jobs.

Roadblocks to growth in the region are sometimes the result of high environmental standards or a concern for strong citizen input. But more often than not, they arise from inefficiency, political indifference, or lack of a clear vision for the future of the region's economy. The Work Group on Improving New England's Business Environment, comprised mostly of business leaders as well as representatives from governing and legislative bodies, reviewed results of focus groups with the region's firms and compiled their own information about state activities and reforms already underway to address these problems. The Work Group developed four recommendations aimed at encouraging the existing work of states to overcome impediments to growth as well as fostering region-wide solutions to the problems:

- Form a New England Energy Planning and Strategy Group to develop a six-state plan for minimizing energy costs in a way that promotes job retention and creation.
- Convene New England stakeholders to build on individual state's efforts to reform their permitting processes and collaborate on ways of making the process more efficient throughout the region.
- Identify and help obtain funding for two technology transfer demonstration projects that Work Group members identified as models of defense conversion.
- Examine innovative models for increasing the amount of capital investments to support commercialization that (1) provides positive returns on repayments and tax revenues; (2) targets leading technologies that save or create jobs; and (3) does not inhibit continued private investments.

WORKFORCE DEVELOPMENT AND TRANSITION

Although a Work Group was not specifically designated to address workforce development issues, TDC—as one of the nation's foremost providers of JTPA programs—was committed to exploring the training needs of the region's workforce. Project staff felt that the reason Task Force members did not develop a specific workforce development Work Group was largely due to the make-up and interests of the participants, who believed that economic development should be the Task Force's first priority. TDC guided a core group of project partners and participants, including Hay and A Call to Action, to gather information from employers, unions, employees at risk of dislocation, and dislocated workers about the needs of New England businesses and workers. They

also relied on a study by one of the Task Force members from the Federal Reserve Bank of Boston about the impact of layoffs on and the needs of workers dislocated from defense.

This group found that New England's public job training programs fail to meet the needs of today's workers or employers, providing services to only a few workers, and usually too late to help them keep their jobs.

The group also noted that employers, confronted with restructuring from within and tough competition from abroad, must find effective ways of expanding workers' skills without unduly interrupting productivity. Without a coherent national workforce development system that provides training to all workers, America's employees are likely to suffer further closings and layoffs and longer periods of unemployment.

The group proposed a coherent national workforce development and transition system based on two fundamental questions. First, what do stakeholders in the system need to do to facilitate the transition of both employed and unemployed workers? Second, what is the role of the various stakeholders in investing in a workforce transition system? In answering these questions, Task Force members found that universal access and early intervention were two vital features of an effective workforce training system that are missing from present programs. The specific design recommendations are highlighted in the following list.

RECOMMENDATIONS FOR IMPROVING THE WORKFORCE DEVELOPMENT AND TRANSITION SYSTEM

Increased Choice and Quality

- Encourage public support for a universal retraining system that benefits the entire workforce, not just a few individual workers in need.
- Locate one-stop workforce training and transition centers both within and outside of the current workplace.
- Adopt early intervention as the industry standard. Training should begin the first day on the job, not just before layoffs are announced.
- Build system capacity for delivering quality services by designing a process for certifying an organization's qualifications to provide services.
- Ensure that workers and employers possess all of the information they need to make decisions about training, transition, and conversion.

Retraining for Good Jobs

- To keep productive teams intact and reduce plant relocations outside of the region, the workforce development system should broaden its mission to job retention.
- States can promote training for job retention through public investment.
- States need to invest in job creation.

Performance and Accountability

- Develop national performance standards for program quality and accountability that are clear and customer driven.
- Establish an individual investment plan to review the appropriate use of public funds.

Public Investments - Private Initiative

- Use public resources to improve incentives for employers that retrain current workers.
- Use public resources to improve incentives for workers to invest in skills that can improve their mobility.
- Make public incentives for private investments in workforce development more stable and predictable.
- Transfer purchasing power to workers by establishing individual training accounts.
- Commit public resources to developing high quality, accessible labor market information.
- Establish consistent accounting definitions for expenditures of federal funds.
- Promote innovative incentives like using Sallie Mae and investment tax credits to increase private investments.
- Amend the tax code so that narrowly targeted tax credits for firms and individuals can apply to both future and current years.
- Design new options for financing incumbent worker training, such as recoverable investment funds or diverting funds for dislocated worker training to help stave off further layoffs of at-risk workers.
- Collect information to identify the retraining needs that will support economic adjustment.
- Promote ongoing collaboration across institutions within and between states by organizing information and improving networking capabilities.
- Make recommendations about how public policy, investments, and incentives can accelerate the development of new commercial activities that will absorb workers and resources affected by cuts in defense.

DESIGNING AND IMPROVING NEW ENGLAND'S ECONOMIC INFRASTRUCTURE

The Task Force investigated key strategies for promoting business development and job creation. Among the alternatives they focused on was systematically rebuilding the infrastructure common to all six states, particularly that which (1) provides significant job creation now and in the future, and (2) has the potential to create work for both at-risk and dislocated workers from the defense industry. Using these criteria, the Task Force found that transportation, telecommunications, and environmental industries had excellent potential to fuel growth in businesses and jobs.

Transportation and communications were viewed as core elements of the economic structure and industries in which New England held strong technological assets. Developing less expensive, more efficient and reliable systems was vital for promoting industrial growth and development throughout the region. Task members selected environmental industries as a key area of growth because of the many new environmental firms and the great potential for converting and reengineering defense technologies for commercial use in this area.

Work Groups comprised of project participants with knowledge of these industries met to develop strategies for promoting the growth of these key industries throughout New England. The Work Group on Transportation made substantial progress and provided numerous recommendations to foster an integrated transportation network benefiting all six states. The Work Group on Environmental Industries also made key contributions to the Task Force by identifying five regional initiatives that would improve job creation in environmental businesses. The recommendations of these two Work Groups are highlighted in the following list.

RECOMMENDATIONS FOR IMPROVING NEW ENGLAND'S ECONOMIC INFRASTRUCTURE

Building an Efficient, Integrated, Regional Transportation System

- Encourage the White House, Congress, and the U.S. Department of Transportation (DOT) to support intermodalism as the DOT restructures its programs.
- Encourage the development of high speed rail by supporting continuing financial support for Amtrak and the Northeast Corridor projects.
- Support funding and cost sharing for regional dredging projects to keep New England's maritime industry competitive.
- Urge planning to increase overpass clearances so that double-stacked containers may be shipped by rail.
- Support continued funding for a national shipbuilding initiative through MARAD and MARITECH.
- Support continued funding for implementing technologies to improve transportation efficiency.
- Cooperate with New England Governors and the DOT to encourage funding for phase two of the New England Transportation Initiative (NETI) and to expedite key decisions involving electrification of the corridor and the purchase of new train sets.
- Advocate for the New England Innovative Financing project to implement personal rapid transit (PRT) vehicles and identify potential sites.
- Encourage the development of a regional alliance for collaboration on Intelligent Transportation Systems.

Enhancing Environmental Businesses

- Design a regional collaborative consisting of businesses, environmental experts, regulatory agencies and government to document the benefits of environmental regulations for economic development and jobs.
- Develop a regional project to promote environmental exports using the capabilities of the region's defense contractors.
- Urge states to meet clean air requirements by (1) adopting specific vehicle emission targets, (2) specifying concrete and enforceable strategies for achieving those targets, and (3) developing strong incentives for consumers to buy low-emission vehicles.
- Identify and support advanced production of low- or zero-emission vehicles in New England.

BEST COPY AVAILABLE

The Work Group on Telecommunications began work to develop a regional agenda that was slated to continue into the next phase of the project. The Work Group's initial agenda focused on electronic commerce, access, and education. To complete its work, the Work Group was to (1) explore strategies for accelerating electronic commerce, (2) link with state forums to develop regional strategies, and (3) develop curricula to increase workers' electronic skills.

PROJECT OUTCOMES

The New England Defense Conversion Planning and Technical Assistance Project met most of its ambitious goals through a series of well organized endeavors to collect and synthesize new and existing information and to distribute the information to Task Force members as they assessed specific policy options. Project staff considered the establishment and operation of the New England Defense Conversion Task Force to be the single most important outcome of the project: it provided a unique forum for the region's leaders to develop and shape economic policy by bridging individual state's collective interests and catalyzing new networks for continued work. Other objectives and their outcomes are summarized in the table below.

THE NEW ENGLAND PROJECT
PROJECT OUTCOMES IN RELATION TO OBJECTIVES

Objectives	Outcomes
Constitute and regularly convene Regional Task Force.	Objective met. Nearly 70 members comprised the Task Force and met 6 times throughout the year and more frequently in Work Groups. No meetings have been scheduled, however, after the planning phase of the project.
Synthesize the results from previous studies about the impacts of defense conversion in New England.	Objective met. Project partners collected information and distributed summaries to Task Force members.
Develop a regionally-based inventory of defense firms' experiences and needs.	Objective met. The project gathered information through focus groups with regional corporations and through members of the Task Force who work in defense industries.
Develop a regionally-based inventory of defense workers' experiences and needs.	Objective met. The project gathered substantial information through focus groups, through Task Force members, and through a longitudinal analysis of the experiences of dislocated defense workers.
Develop profiles of workers at risk due to defense cuts.	Objective met. Profiles were developed from focus groups, from Task Force members who work with at-risk employees, and from the longitudinal analysis of dislocated workers.
Identify and develop systematic occupational crosswalks from defense to non-defense jobs.	Objective met. Project developed a "Guide to New England Employment Opportunities" to help bridge defense and commercial skills.
Determine the capacity of education and training institutions to serve employers and workers.	Objective not met. Developing a thorough cross-state inventory was established as a priority for subsequent planning efforts.
Foster collaboration for retraining and reemployment in non-defense jobs.	Objective met. The Task Force helped to develop networks and linkages among participating members.
Develop coherent strategies to speed development of commercial activities.	Objective met. The findings and recommendations of the Task Force represent systemwide strategies for accelerating commerce.
Produce a Final Report of conversion potential, resources, and needs in New England.	Objective met. The final report provided background about New England's economic trends, commercial assets, and needs.
Mobilize funding resources to implement elements of strategies recommended by the Task Force.	Objective not met. The Task Force was unable to secure funding for a subsequent planning phase. No follow-on activities have been scheduled.

Mobilizing funding and resources to implement the strategies recommended by the Task Force was a critical objective that the project did not achieve. Although Task Force members were enthusiastic about continuing—indeed, most would continue to volunteer their time and pay their own transportation costs—the project was unable to implement any of its strategies due to lack of funding. Funding for follow-on activities was also essential for disseminating the Task Force's findings and recommendations to the key business and policy audiences throughout New England. Task Force members helped to articulate the project's recommendations to some leaders in business and government, but the project needed additional funding to help the message resonate more clearly throughout the region.

SUMMARY COMMENTS

The New England Defense Conversion Planning and Technical Assistance Project was designed as a multi-year effort, and the (DCA) grant supported planning activities for the first year only. This project faced several key challenges, including a region-wide scope, a tight time frame for planning, and the need to deliver findings and recommendations to a wide audience of employers, public agencies, and elected officials in six states. The project overcame most of these challenges, demonstrating that it could quickly establish a Task Force involving key members from New England's government, business, labor, and public service communities. Its work was highly regarded and received wide recognition for its fast pace and the breadth of its findings. Findings and recommendations from the project continue to inform leaders in business and government in New England. The following features helped the project achieve most phase-one goals:

- ***The project fostered regional cooperation by focusing on common problems and needs and by adopting solutions that would benefit all states.*** The facilitated format for decision-making, selection of regional leaders with a shared understanding of the problem, and clear mission and objectives all helped participants achieve consensus on findings and recommendations.

- ***Organizations and individuals with diverse yet complimentary backgrounds actively participated.*** Project staff recruited energetic citizens and leaders in government, business, and social services who had political clout and reputations for getting things done.

- ***The project was guided by effective leadership.*** The grant coordinator worked with other key project staff to organize the many tasks and meetings throughout the six states, keeping all Task Force members well informed and completing tasks in a timely manner.

- ***Participation from Task Force Members experienced with delivering training to workers ensured that workforce development issues were addressed.*** Project staff from TDC and other firms displayed a commitment to workforce training. Representation of this perspective helped create a unique model for regional planning that simultaneously addressed economic development and workforce development issues.

- ***Task Force members and Work Groups required substantial information to make informed recommendations.*** The project provided a wide variety of new information and

summarized or synthesized existing information for the Task Force. Much of the information is available for states to use in planning economic and workforce development.

- ***The project was well documented.*** Project activities, planning documents, and Working Papers recorded the decisions of the Task Force to aid replication.

- ***Task Force members helped to disseminate findings to individual states.*** Despite the large audience, and lack of funding to widely disseminate project recommendations, participants were able to inform select audiences in their home states.

DCA project staff and Task Force members hoped to accelerate economic development and in turn reduce layoffs by making New England a better place to live, work, and do business. Participants believed that their findings and recommendations were an important start, but they also believed that much work lay ahead. Project staff realized that follow-on funding was essential to continue the momentum of the Task Force, and that as time passed without follow-up the project's opportunity to influence regional policy would diminish. Nevertheless, project staff were optimistic that leaders in New England would use the information and consider the Task Force's recommendations.

FACT SHEET: DEMONSTRATION PROJECT

THE PHILADELPHIA NAVAL BASE AND SHIPYARD COMMUNITY PLANNING PROJECT

Project Location	Philadelphia, PA	***Grantee***	Pennsylvania Department of Labor and Industry (PDOL)
Type of Approach	Community Planning	***Project Administrators***	Dislocated Worker Unit, PDOL; Philadelphia Private Industry Council (PIC)
Period Covered by Grant	November 1993–June 1994	***Key Contact***	Christine Enright, State Dislocated Worker Unit
Grant Amount	$464,198	***Geographic Area***	Philadelphia metropolitan area

Context

The Philadelphia economy has depended on heavy industry for almost two centuries. As manufacturing jobs have steadily disappeared, unemployment rates have remained well above the state and national averages. When the Naval Shipyard was recommended for closure by the Basic Readjustment Commission (BRAC) 16,000 military and civilian personnel employed in 1993 were expected to lose their jobs; 36,000 people employed by the nearly 800 local firms directly dependent upon the shipyard for business were also put at-risk.

Primary Goals

The Defense Conversion Adjustment (DCA) planning grant supported efforts to develop an effective response to the needs of the communities affected by the closure. The project sought to:

- Establish a planning group comprised of stakeholders in the community who would develop a comprehensive strategic plan.
- Develop plans for delivering services to dislocated workers on-base.
- Assess the skills of dislocated workers in relation to those in demand within local industry in an effort to facilitate the training and reemployment process.
- Produce two replicable handbooks to inform rapid response and reemployment services to dislocated defense workers at other facilities.

Key Players

- **Dislocated Worker Unit of PDOL** — Formal grantee of the project.
- **Philadelphia Private Industry Council** — Involved in administration and planning for the establishment of an on-site Career Transition Center.
- **Center for Applied Behavioral Sciences at Pennsylvania State University** — Subcontracted by the state to assess the skills of dislocated workers.
- **The Naval Base and Shipyard's Office of Civilian Personnel and Management** — Active in planning and implementation of project activities.

Significant Outcomes

- Assessed the skills of all civilian Department of Defense (DOD) workers and established a database to facilitate their reemployment in the private sector; information about the skills in-demand among local private-sector employers was not fully documented.
- Conducted strategic planning to inform the establishment of a Career Transition Center on-base; although the DCA grant did not support direct services, the planning process enabled project partners to secure additional grant funds to support the Center.

THE PHILADELPHIA NAVAL BASE AND SHIPYARD COMMUNITY PLANNING PROJECT

Philadelphia, Pennsylvania

THE CONTEXT

Historically a heavily industrialized region, the Philadelphia area has been hard hit economically over the last two decades. New industry has been slow in coming to Philadelphia, and jobs that pay well and provide benefits are increasingly scarce. The closure of the Philadelphia Naval Base and Shipyard continues this trend, and local observers point to the Shipyard's demise as the death knell for the region's heavy industry.

The Philadelphia Naval Complex was the linchpin of the regional economy for almost two centuries. Before the drawdown began, the Complex included five major commands: the Shipyard, the Hospital, the Naval Station, the Naval Ships Systems Engineering Station, and the Admiral's Staff. One of the largest Naval facilities in the country to be scaled down due to military cutbacks, the Complex employed over 16,000 military and civilian personnel in July 1993. The Shipyard, which serviced and maintained Navy vessels, was both the largest command in the Complex and the largest manufacturing site in the region. At its peak, shipyard employment topped 14,000. The Shipyard was slated for closure because it could not accommodate nuclear-powered aircraft carriers; servicing and retrofitting of the last conventional carrier, the USS Kennedy, was completed in 1995.

The potential economic impact on the region of the drawdown of the Complex is staggering. The official drawdown process began in 1993 with the closure of the Hospital. The Shipyard workforce was reduced to 3,000 in late 1995 after completion of work on the USS Kennedy. The drawdown is scheduled to be completed by the end of 1996, after which a few facilities will continue to operate indefinitely, employing only about 2,000 primarily civilian employees. Of the jobs being eliminated, roughly 45% are administrative or technical, 40% are in the blue collar trades, and 15% are in science or engineering. In addition to these direct employment losses, huge secondary and tertiary impacts are anticipated. An estimated 800 companies, directly dependent on sales to the Complex, are expected to lay off more than 36,000 employees. Many businesses in the region will not survive the downsizing.

When the drawdown was announced, the Shipyard's Office of Civilian Personnel and Management began to plan for transition assistance for Shipyard employees. Staff from the Shipyard's Office contacted the Philadelphia Department of Labor and Industry to learn more about resources available through the Job Training Partnership Act (JTPA) system. The Private Industry Council (PIC) was already experiencing great demand for Economic Dislocation Worker Adjustment Assistance Act (EDWAA) services because of the continuing massive layoffs in the private sector, but began to search for funding to help respond to the impending Complex layoffs. When the Defense Conversion Adjustment (DCA) demonstration was announced, the PIC joined

forces with the State Dislocated Worker Unit and put together a proposal that they submitted under the community planning category.

GOALS AND STRATEGIES

The overarching goal of the project, as stated in the proposal, was to "lay the groundwork for an effective response to the needs of the employees and the community." The following strategies were to be used to realize this goal:

- The coordination of stakeholders in the community, formation of a planning group, and development of a strategic community plan.

- The development of plans to create an on-base center to deliver re-employment services to affected workers.

- The collection of information about the skills of laid-off workers to be used in conjunction with information collected from potential employers to facilitate the re-employment of dislocated Complex workers.

- To promote replication of the initiative elsewhere, the project was to produce two booklets: the Military Installation Rapid Response Handbook, and the Employee Skills Assessment.

In addition, the project hoped to use these activities to highlight employment and training concerns within the broader community response to the closure of the Naval Base and Shipyard.

KEY PLAYERS

Pennsylvania Department of Labor and Industry. This agency was the project grantee. Its Dislocated Worker Unit administered the project and was given primary responsibility for meeting the first objective: the establishment of a planning committee to oversee and coordinate activities designed to meet the employment and training needs of affected employees.

Philadelphia Private Industry Council. This organization's initial responsibility was to plan for the establishment of an on-site Career Transition Center to respond to the impending layoffs.

Center for Applied Behavioral Sciences at Pennsylvania State University. More than half of the demonstration budget was allocated to a subcontract with the university to conduct an assessment of the skills of laid-off workers, which was to be used as a tool to facilitate the re-employment of the workers, as well as to enhance other economic development activities in the area.

Although not a formal partner, the Naval Base and Shipyard's Office of Civilian Personnel and Management was also an active player in the project. The primary concern of this office was planning for and delivering re-employment services to laid-off workers. The demonstration project also worked with the Shipyard's unions and Shipyard and Base management, and sought to work with the Mayor's Commission and its advisory committees, particularly the Labor and Retraining Advisory Committee.

THE IMPLEMENTATION EXPERIENCE

COORDINATION OF STAKEHOLDERS

Planning and coordinating services to respond to the dislocations presented a significant challenge to project staff. Because of the magnitude of the layoffs, the multi-jurisdictional nature of the impacts, the challenges of planning for the re-use of such an immense facility, and the large amount of dollars and variety of funding sources available for supporting planning activities, the process involved a very large cast of intensely interested stakeholders. Representatives from various local and state government offices, organized labor, the shipyard civilian personnel office, and a host of other private and public organizations all wanted a "piece of the planning action."

The DCA grant was only one of several large grants awarded to the community to mitigate the impact of the base closure. A grant from the Office of Economic Adjustment funded the Mayor's Commission on Defense Conversion, which became the main planning body in the community. Two discretionary grants from the Department of Labor were awarded: one for serving 550 temporary and on-call Shipyard workers laid off shortly after the demonstration grant was awarded, and another for serving the first major wave of laid-off workers. In addition, Congress appropriated 50 million dollars to fund economic development activities to help mitigate the potentially devastating effects of the drawdown on the local economy.

DCA project planners were unaware during the proposal-writing stage that another effort was underway at that time in the community to develop a task force to provide a unified and coordinated response to the base drawdown. By the time the DCA grant was awarded in early 1993, the Mayor's Commission on Defense Conversion had been established, with a mandate to coordinate all planning activities around the closure. A special task force was set up by the Commission to study and coordinate activities connected with serving the training and employment needs of affected workers. Thus, the first challenge faced by the DCA project was to work out a way to integrate its own plans with the larger agenda of existing planning efforts. The strategies adopted by the DCA project to meet this challenge are described further below.

In the end, the demonstration project had little success coordinating with outside organizations. The Mayor's Commission on Defense Conversion pursued its agenda independently, and even established a separate Labor Retraining and Advisory Committee, whose agenda subsumed that of the demonstration project. At the time of the second site visit, however, this committee had ceased meeting, perhaps reflecting the relatively low priority given to employment and training issues by the Mayor's Commission.

Establishing a Planning Group

Planners for the DCA grant had envisioned a classic community planning role for themselves, involving the creation of a representative group of individuals who would create a community-wide action plan to mitigate the effects of the downsizing. However, as they became aware that the Mayor's Commission on Defense Conversion had already adopted this role, DCA project staff recognized the need to avoid duplication of effort, and developed a strategy planners hoped would complement existing efforts rather than replicate or undermine them.

The state-operated Dislocated Worker Unit routinely promotes the formation of a Dislocated Worker Transition Team (DWTT) during the normal rapid response process. The DWTT included a number of high-ranking officials from organizations such as Employment Services and PICs in neighboring states. Their presence eventually led to some tensions, mainly among Shipyard and Base union and management officials. Only when a number of these representatives voluntarily withdrew from the DWTT could the committee reform and become functional.

Members of this new DWTT came from the same organizations as the first group, but tended to hold much less senior positions. The primary responsibility of the second DWTT was much narrower than the first, and was limited to providing advice to the PIC in establishing a dislocated worker service center. In function, the second DWTT acted much like a labor-management committee as it oversaw the implementation of readjustment services to workers. For example, the PIC managed the service center, but reported regularly to the DWTT.

At the time of the second site visit, the reformed DWTT continued to meet, but had been joined by a third planning body, the Grant Advisory Committee (GAC). Initially formed to help obtain employment and training grants, the GAC eventually became a forum for many of the stakeholders concerned with human resource planning issues. The GAC membership was broader than any of the previous planning bodies, and included representatives of several private industry councils from the Philadelphia metropolitan region.

Planning the Career Transition Center

The second major activity funded by the DCA grant, and the one that ultimately became the focus of the project, was to support planning for the Career Transition Center, which was operated by the Philadelphia PIC. The actual services provided by the Center were initially funded with a Department of Labor discretionary grant ($2.75 million). Space and equipment for the Career Transition Center were donated by the Shipyard.

The short-term purpose of the Career Transition Center was to serve approximately 550 temporary and on-call workers who had already been laid off at the start of the grant, but who were not eligible to be served by the Shipyard's own transition office (which serves permanent

Shipyard employees only).[1] The Center offered basic readjustment services and job training to eligible workers, and was expected to continue to serve non-union workers after the demonstration had ended. Various proposals were submitted to acquire additional resources to fund the counseling, training, and job search needs of the approximately four thousand additional workers expected to be laid off.

During the course of the demonstration, two additional career transition centers were established exclusively for union employees of the Shipyard and Naval Base. These centers were independently staffed and managed by the Shipyard and Naval Base, which operated under distinct military commands. By the time of the second site visit the state had secured an $8.4 million grant to fund services to Shipyard workers dislocated in the first major wave of layoffs, and more than 2,000 workers had already been served. The Naval Base Career Transition Center had just opened its doors at this point, and had yet to experience a major demand for its services.

Each of the three centers operated independently, with separate staffs, services, budgets, and clients. A key challenge for the DCA project was to fit their own center into this system and to avoid duplication of services. At the time of the second site visit the demonstration project had only just begun to work on coordinating services, resources and data available at the three centers.

WORKER SKILLS ASSESSMENT

The third and final demonstration-funded activity was led by the Pennsylvania State University's Center for Applied Behavioral Sciences. As discussed in the original proposal, the Workforce Skills Assessment (WSA) project was intended to provide general information on worker skills and employer needs in order to facilitate the reemployment of dislocated workers and to support the community planning process.

The inputs to the WSA were generated by two major data collection activities: (1) an assessment of the skills of Shipyard workers by occupation, based on existing job descriptions and employment records; and (2) a survey of the labor needs of regional employers, gathered through phone calls and the acquisition of existing labor market information. These inputs were assembled by the University team in a PC-based database for direct use by vocational counselors. At the time of the second site visit this system had only recently been established, but appeared to hold promise for improving the counseling and job development process, although not in the way planners had first envisioned. Counselors used the database to determine the employment skills of dislocated workers, and to compare these to the skills most in demand by area employers. Workers whose skills were in less demand received priority for retraining services. Workers with marketable skills were encouraged to pursue employment options that took advantage of their experience at the Shipyard.

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[1]Temporary and on-call Shipyard workers were permitted use of the Shipyard's transition services during early morning and late afternoon hours only.

Collecting information on employer labor needs proved much more difficult than originally anticipated, and limited the usefulness of the WSA database. Only 234 employers were surveyed, and even this relatively small effort exceeded the budget originally available for the task. While reliable up-to-date local labor market information is always critical, it proved almost impossible for this project to acquire, given its resources.

PROJECT OUTCOMES

With the assumption of all planning responsibilities by the Mayor's Commission, the project abandoned its original broad goal and narrowed its focus to planning for employment and training services for workers. The project, however, never clearly formulated a new direction or new objectives to replace the original ones. The following table summarizes the original objectives and corresponding outcomes:

THE PHILADELPHIA PROJECT
PROJECT OUTCOMES IN RELATION TO OBJECTIVES

Objectives	Outcomes
Develop a coordinated planning process.	Objective partly met.
Develop plans for on-base Career Transition Center.	Objective met. The project made it possible to raise grants for such a center and to coordinate services among several different on-base centers.
Prepare Worker Skills Assessment.	Objective partly met. Worker skills were entered into a database, but employer labor needs were not thoroughly documented, and the database was not in full use by the end of the grant.
Publish Military Installation Rapid Response Handbook and Employment and Training Service Plan.	Objective not met. This product had not been developed by the end of the contract.

SUMMARY COMMENTS

Although the project did not achieve its central mission, it did make the following contributions:

- The Philadelphia project assembled representatives from a great number of organizations to address employment and training issues. Each incarnation of the planning body for the project (the two Dislocated Worker Transition Teams and the Grant Advisory Committee) included representatives of unions, military commands, local government, the local employment and training agency, and the state employment and training agency. Despite their difficulties in implementing the project, a planning body continued to meet

throughout the demonstration, ensuring communication among the many players in the process.

- The planning bodies were successful at winning grants for services to dislocated workers. While the demonstration grant funded no direct services, it allowed the project to apply for and obtain more than $10 million in discretionary grants to do so. Thus, the demonstration grant indirectly made possible services to thousands of dislocated base workers.

- The project emphasized the concept of a sophisticated database consisting of the skills of workers and potential job openings. Unfortunately, this promising innovation was never fully realized.

As a result of weak coordination with other local defense conversion efforts, the Philadelphia demonstration project never had a chance to pursue its original goals. The initial mission of promoting employment and training issues within a community planning process was superseded by the Mayor's Commission, which seemed to lose interest in this subject. As a result, employment and training issues were marginalized as re-use seemed to become the topic of greatest concern in Philadelphia.

FACT SHEET: DEMONSTRATION PROJECT

SENECA COUNTY COMMUNITY PLANNING PROJECT

Project Location	Seneca County, New York	***Grantee***	New York State Dept. of Labor
Type of Approach	Community Planning	***Project Administrator***	Seneca County Employment and Training Department
Period Covered by Grant	November 1993–June 1995	***Key Contact***	Peg Birmingham Seneca County Employment and Training Department
Grant Amount	Base Grant: $496,373	***Geographic Area***	Seneca County, New York

Context

In July 1992, the Army announced major reductions in both the civilian and military workforces at the Seneca Army Depot. The loss of over 1,000 positions and income at the Depot was expected to worsen the economic problems already faced by rural Seneca County. Although this closure was not initially a Base Realignment and Closure (BRAC) Commission closure, it eventually became one, making the county eligible for Department of Defense, Office for Economic Adjustment (DOD/OEA) funding.

Primary Goals

The Defense Conversion Adjustment (DCA) planning grant supported a wide range of planning activities, lead by the employment and training community. The project sought to:

- Assess the impact of the closure, the employment and training needs of Seneca County workers, and the strengths and weaknesses of the local economy.
- Forge new collaborations between private- and public-sector actors to promote economic diversification and design appropriate training and employment services.

Key Players

- **New York State Department of Labor** — The formal DCA grantee.
- **The Seneca County Employment and Training Department** —The day-to-day administrator of the project.
- **The Seneca County Economic Development Department** — Office for Economic Adjustment (OEA) grantee, and partner in DCA-funded activities.
- **Cornell University** — Leader of three project components: workforce analysis, business retention and expansion, and local government assistance.
- **Knowledge Systems and Research** and **The Center for Governmental Research** — Two consulting firms that contributed to the survey of local employers and the workforce and competencies components of the project.

Significant Outcomes

- Mobilized community Task Forces that were broad-based, active throughout the grant period, and successful in producing all planned reports.
- Collected and presented important data to inform local economic development.
- Placed human resource issues on the community economic development planning agenda.
- Presented a "blue print" for action —The Community Plan— with many recommendations grounded in data and endorsed by the community.
- Helped lay foundation for OEA-funded activities.

SENECA COUNTY COMMUNITY PLANNING PROJECT
Seneca County, New York

THE CONTEXT

Seneca County is a sparsely populated rural county located in the heart of New York's scenic Finger Lakes area. The largest population centers are two small towns, Seneca Falls and Waterloo. Over the last decade, the county has suffered a series of plant closings and downsizings that have seriously eroded the employment base. The only sector experiencing growth during this period has been the service sector, particularly tourism and retail trade. The situation looked particularly dire to the community in 1992 when the Department of Defense announced that it was downsizing the Seneca Army Depot, the second largest employer in the county. At the time of the announcement the Depot employed about 1,500 military and civilian personnel. The county's employment and training community feared that the fragile local economy could not absorb these workers and that even more workers, employed by businesses dependent on the base, could be at risk. They could also see that the county needed to engage in proactive economic planning to prevent the further erosion of the county's economic and human resources base.

With the encouragement and support of the New York State Department of Labor, Seneca County staff put together a team consisting of county staff, state officials, professors from Cornell University, and private consultants and applied for a Defense Conversion Adjustment (DCA) grant. They began actively working on it in early 1993. Other than a small service grant to serve dislocated Depot workers, the county had received no other funding to support a response to the closure. The DCA project was the "only game in town," placing the employment and training community in a key leadership role in responding to the closure.

GOALS AND STRATEGIES

This project had a classic community planning mission: to develop a plan to respond to the event of the Depot closure and other economic problems, through the collection and analysis of information that could inform a set of recommendations. The project sought to achieve this goal through involving as many members of the community as possible in a consensus-building, collaborative, multi-faceted effort. Specifically, the project's objectives were to:

- Provide information not yet available about the employment and training needs of Depot workers and the county workforce at large;
- Document the local economy, its strengths and weaknesses, and measure the impacts of the Depot closure;
- Strengthen and develop community leadership;

- Forge new collaboration among the private sector, education and training providers, and government to assure the early identification of job opportunities and the skills and competencies they require, and to better meet the education and training needs of displaced workers;

- Develop strategies to promote economic diversification; and

- Develop feasible job creation and job training programs to implement the diversification strategies.

KEY PLAYERS

This community planning project, led by the Director of the Seneca County Employment and Training Department, involved many organizations.

The New York State Department of Labor, the formal DCA grantee, provided monitoring and technical assistance to the county.

The Seneca County Employment and Training Department acted as the day-to-day administrator of the project. Two full-time positions, as well as a percentage of the director's time, were funded by the grant.

The Ontario County Human Services Department, the Service Delivery Area (SDA), passed funding from the state to Seneca County but did not play a substantive role in the design or operation of the project.

The Seneca County Economic Development Department funded one full-time staff position from the grant and a small amount of the director's time. It worked closely with the Employment and Training Department.

The New York State Department of Labor's Research and Statistics Division provided data to support research on the local labor force.

Cornell University led three project components: workforce analysis, business retention and expansion, and local government assistance.

Knowledge Systems and Research, a consulting firm based in Syracuse, supported management of the grant and conducted two surveys: one of local employers and one of former Depot workers.

The Center for Governmental Research, a consulting firm based in Rochester, performed the data collection and analysis for the competencies component of the project.

THE IMPLEMENTATION EXPERIENCE

The Seneca project accomplished a great deal in the year and a half it operated, with only a brief extension and no additional funding. (About $20,000 was returned to U.S. Department of Labor.) Seven activities were conducted, each one involving broad community input. For each activity, a task force was assigned to collect information, synthesize it, and produce recommendations to the County. When all the activities had been completed, a "Community Plan," containing each task force's recommendations, was submitted to the Redevelopment Advisory Council (RAC) and then to the County Board of Supervisors. The following is a brief synopsis of the seven activities funded by the DCA grant.

Labor Force Analysis

The project planners hoped to fill a void of information on the characteristics of Seneca County's workforce and labor market trends. They viewed this information as crucial for planning workforce development and service delivery. Cornell faculty worked with the New York State Department of Labor's Research and Statistics Division to analyze data on the workforce's commuting patterns, projected labor demands and growth occupations, demographic characteristics of the current workforce, and trends in educational attainment. This work resulted in two products: a report entitled Labor Force Analysis For Seneca County, replete with tables documenting findings, and a workbook designed as a training supplement for planners and service providers to enhance understanding of local labor market dynamics. An example of a finding that significantly influenced the planning process was that the Seneca county labor force had serious deficiencies in educational attainment and occupational skills. These deficiencies were viewed as a key reason why the county had problems attracting or keeping large businesses. This finding fueled the involvement of the educational community in subsequent community meetings and committees.

The Labor Force Task Force presented the following recommendations:

- Develop consortiums of manufacturing, trade and service sectors to further define labor force needs in relation to skills, training and recruitment and job descriptions.
- Facilitate focus groups to identify more specifically the above needs and action steps.
- Develop a one-stop-system for employers and job-seekers;
- Provide job training and placement for employment opportunities beyond the borders of Seneca County.
- Provide training to prepare the work force for jobs in the highest growth occupations: teaching, health care, and retail sales.
- Provide more opportunities for the education of the workforce. Establish a locally based Learning Resource Center/System servicing people and employers.

- Develop competency-based training that will assess the competencies of displaced workers and the requirements of growth occupations.

Survey of Dislocated Workers

Knowledge Systems and Research (KS&R), one of the two consulting companies hired by the project, conducted a telephone survey of the civilian workers who had lost their Depot jobs. Although the response rate (48%) was rather low, some of the findings were surprising because the picture was not quite as bleak as expected. A majority (65%) of the dislocated Depot workers who responded to the survey had found jobs approximately one year after the layoffs. Of those who had not, about half were not looking for work for reasons including returning to school, retirement, and giving priority to family responsibilities. KS&R estimated that only 122 dislocated workers were either seeking or likely to seek work. The survey also established that a large number of the Depot workers did not even live in Seneca County and were more likely to commute from neighboring cities and communities such as Rochester. Information such as this allowed the planners to focus their efforts on promoting economic development as a whole, rather than spending resources on mitigating the effects of the downsizing.

Survey of County Employers

A survey of 250 county employers was conducted to supplement existing information on the impact of the Depot downsizing on businesses, and to assess the needs of local businesses. The most surprising finding from this survey was that very few businesses reported any impact at all from the downsizing. This discovery allowed the planners to focus less on mitigating the effects of the downsizing, and more on promoting economic development in general.

Definition of Training and Education Competencies in the Region

The Department of Employment and Training contracted with the Center for Governmental Research to determine the specific skills and competencies necessary for employment in the area. This activity, considered key by the employment and training professionals who were the DCA project leaders, was designed to assist county leadership in making strategic decisions to facilitate the diversification of the local economy, job creation, and the provision of appropriate education and training services to dislocated workers. The effort resulted in two reports, including a series of recommendations for employment and training providers, educational institutions, and businesses centering on the need to develop core competencies. The recommendations follow.

- Review employment training programs' curriculum for workplace competencies modules and activities.

- Gather competency-based materials and integrate them into employment training work plans.

- Integrate competencies into an assessment process that identifies contributions of workers and classifies job openings according to the competencies required.

- Conduct an Annual Competencies Workshop that focuses on closing the gap between requirements of the workplace and the content of employment training programs.

- Increase opportunities for work experiences through internships, work study, and job shadowing.

- Expand the business community's involvement in employment and training activities by inviting business representatives to participate in discussions on labor market and training initiatives.

- Integrate competency training into the strategic planning process that is focused on changing the direction of the local economy.

- Revisit competency training implications of economic change through annual reviews of the economic development plan.

Implementation of Business Retention and Expansion Model

The purpose of this component was to encourage job growth in the county by understanding and meeting the needs of existing businesses in the county. The assumption underlying this strategy was that an economically vulnerable rural county such as Seneca needed to do more than just attempt to attract one or two large new businesses. A more viable economic development strategy should include retaining existing businesses in the area, and ensuring that the environment was conducive to the growth of these establishments.

A task force representing a broad range of stakeholders, including local businesses, county agencies, and locally elected officials, facilitated and supported by Cornell faculty, was set up with this mission. Members of the Business Retention and Expansion Task Force interviewed a representative sample of about 90 firms in the area. A team of two met with managers and owners in each business, and administered a questionnaire developed by Cornell. In addition to gaining new insights into the characteristics of businesses and their experiences from doing business in Seneca County, the task force tried to identify and respond to immediate and specific needs of the businesses they studied.

The Business Retention and Expansion Task Force, probably the most active of all the task forces set up by the DCA grant, came up with a series of recommendations on how to expand and keep existing county businesses. The following is a slightly abbreviated list of those recommendations.

RECOMMENDATIONS BY SENECA COUNTY'S BUSINESS RETENTION AND EXPANSION TASK FORCE

EDUCATION AND OUTREACH TO BUSINESSES

- Develop a comprehensive economic development information program.
- Disseminate information on exporting, business planning, trade fairs/marketing, competitive awareness, and needs assessment (training).

Business Expansion Opportunities

- Evaluate present infrastructure for electronic data transfer.
- Develop an interim plan for shared access to the Internet, e-mail, and high-speed data transfer.
- Develop a plan for future infrastructure opportunities with potential users and suppliers.
- Collect additional survey information to identify raw materials needs of Seneca County companies. Develop linkages with local companies that could supply those needs immediately or through expanded product lines.
- If no local supplier can provide these materials, now or in the future, use market data to attract a possible new supplier to the County.
- Provide more shared (incubator-like) services.

Information Delivery

- Develop and offer a series of ongoing informational sessions on topics related to the informational age (technology, human resources, shared decision-making, etc.).

Lower Taxes

- Use outlet center (sales) tax revenues to reduce the county debt load.
- Within already existing interagency meetings, address issues of duplication of services.
- For the longer term, dedicate a percentage of outlet center tax revenues to the county's school systems, to lower school taxes.
- Explore consolidation of governmental and school services.

Promote Seneca County

- Produce professional quality videotapes depicting the best features of Seneca County to be used for promotional activities.
- Hire additional staff for economic development and planning.
- Develop online computer information system and promotion capabilities.

Expand Recreational Activities

- Organize community volunteers to beautify the area.
- Pursue water-related development for canals and state park beaches.
- Promote and develop winter recreational opportunities.

Provide Public Transportation

- Perform a Needs Assessment study.
- Investigate working with contiguous counties on transportation issues.
- Explore alternative uses with existing bus systems.

Increase the Amount of Affordable, Quality Rental Housing

- Start by creating a list of existing apartments. Get information out to the people.
- Explore the availability of Depot housing.
- Encourage the development of new housing units.

Local Government Assistance

Planners viewed a responsive, efficient, and business-oriented local government as an essential part of any economic planning effort. Some were concerned that Seneca County was not a "business-friendly" environment, in part due to rural New York's notoriously inefficient and politically fraught system of relatively autonomous cities, towns, and villages. Local government in Seneca County includes ten Towns and five Villages, each enjoying a high degree of independence. As a first step in improving and consolidating local government, a task force was established consisting of representatives of Seneca County's municipalities. Due to political tensions, this task force was somewhat less cohesive than the others, but managed nonetheless to complete its assigned task.

Task force members, many of them elected officials themselves, interviewed several dozen local elected officials to ascertain the level of cooperation that already existed between municipalities and to identify areas for improving cooperation. A finding from this effort was that the municipalities already worked together more than expected. The task force came up with a set of recommendations concerning furthering collaboration, consolidation, and information-sharing among county municipalities.

One set of activities planned under this goal was not completed. Project planners had envisioned starting a process to "improve local government" by educating local government officials through activities such as leadership training. Interest among officials in this activity was low, and the idea was eventually abandoned. This was the only goal not achieved by the project.

On the other hand, members of several task forces participated in seminars designed to build teamwork skills and leadership training. Many praised this activity and credited this training for more effective task forces. The Local Government Assistance Task Force recommended the following strategies:

- Develop and implement a multi-faceted effort to publicize the existing significant level of intergovernmental cooperation.
- Work with the media to highlight, and wherever possible record, local examples of successful cooperation.
- Monitor progress in intergovernmental cooperation and develop innovative means to call this to the public's attention.
- Involve the public as intensively as possible in further work by the task force.
- Request a comprehensive review of county-wide water and sewer system capacities and needs.
- Work with school administrators and representatives of the county board to "brainstorm" a set of possible school district roles which would be discussed and evaluated at "community forums" in each of the county's school districts.

- Collect and make available to all interested parties a set of materials (readings, interview notes, video or audio tapes) that describe successful instances of schools serving as community resources in collaboration with general purpose local governments.

- Undertake a comprehensive evaluation of the potential for cooperative purchasing of supplies and materials with a primary focus on major budget items. The potential for an independent purchasing cooperative should be included in the evaluation.

- Invite local officials to a series of monthly meetings about successful shared professional service arrangements. Presentations should be by involved persons from Seneca County and beyond. Produce a "user-friendly" summary report and/or video of each presentation and discussion for distribution to meeting participants and to officials unable to attend the meetings.

- Work with meeting participants to help assess and document the way municipalities currently meet their service needs, the stability of these arrangements, and the locally perceived advantages and disadvantages of moving towards shared service providers.

- Develop support for and implement a study of the potential in Seneca County for comprehensive cooperative insurance programs. After establishing the facts of existing municipal insurance in Seneca County, a report should document experiences in other New York counties, provide estimates of likely costs and benefits for Seneca County, and make specific recommendations.

- The task force as a whole should establish and work with subcommittees to help prioritize these needs further, evaluate the options for meeting those needs, identify possible service providers, and then organize or advocate to meet the high priority needs.

Tourism Development Feasibility

The final activity carried out under the grant was a study of the potential for developing tourism in Seneca County. Many upstate New York communities have successfully positioned themselves in the growing tourism industry, taking advantage of the natural scenic beauty of the area. The selection of tourism as a development focus occurred as a result of a series of community meetings, with input from the task forces and a presentation to the RAC of key findings from the Labor Force Analysis, Dislocated Worker and Employer Surveys and Competencies Study. The grantee contracted with a consultant to conduct the study, who met with community groups and government officials. The consultant recommended a variety of strategies to strengthen and promote tourism in Seneca County:

- Focus community and economic development energy on the tourism sector.

- Develop tourism infrastructure that complements a visit, and provides services for visitors not only to Seneca County, but to the area as a whole;

- Develop marketing initiatives that inform prime markets of Seneca County's offerings, and invite them to discover and rediscover the community.

- Integrate Seneca County offerings with other activities in the region;

- Bring the current stakeholders in the tourism sector of the community together in an ongoing forum to focus on tourism development; and

- Develop attractions and events that are the focus of a visit to Seneca County, and represent business development opportunities.

PROJECT OUTCOMES

Seneca County originally intended to use the DCA grant to support planning a response to the layoffs at the Army Depot. It was assumed that the Depot downsizing would devastate an already fragile economy. Partly due to the discovery that the direct impacts would not be as large as first anticipated, and partly due to the realization that the DCA grant provided an unprecedented opportunity for planning to occur, the process quickly evolved into a model of economic planning, with valuable lessons for any rural, economically vulnerable community. In the end, the DCA grant functioned as a catalyst, mobilizing dozens of individuals and organizations to participate in an unprecedented process of collecting and synthesizing information, building consensus, and establishing new collaborative relationships among sectors and institutions. This process culminated in a series of high-quality reports, the highlights of which are summarized in the project's final product: a ten-page "Community Plan." The Redevelopment Advisory Council, the organization to which this document was submitted, endorsed many recommended strategies in the plan.

In the chart below we summarize the project's self-formulated goals and include some comments on whether those goals were met.

THE SENECA COUNTY PROJECT
PROJECT OUTCOMES IN RELATION TO OBJECTIVES

Objectives	Outcomes
Provide information not yet available about the employment and training needs of Depot workers and the county workforce at large.	Objective met. Project collected information through a survey of Depot workers and local businesses and analyzed workforce using existing data.
Document the local economy, its strengths and weaknesses, and measure the impacts of the Depot closure.	Objective met. Project surveyed businesses to document effect of closure.
Strengthen and develop community leadership.	Objective partly met. Provided teamwork skills classes to task force participants. Project did not cause large numbers of locally elected officials to receive leadership training.
Forge new collaboration among the private sector, education and training providers, and government to assure the early identification of job opportunities and the skills and competencies they require, and to better meet the education and training needs of displaced workers.	Objective met. Through task force activity and community meetings the project fostered communication and new planning efforts to promote training and education of the workforce.
Develop strategies to promote economic diversification.	Objective met. Through activities of the Business Retention and Expansion Task Force (BR&E) and the tourism study, the project developed and recommended many strategies to promote economic development and diversification.
Develop feasible job creation and job training programs to implement the diversification strategies.	Objective met. Through activities of the BR&E Task Force, the Labor Force Task Force, and others, the project developed and recommended many job creation strategies.

SUMMARY COMMENTS

This project was highly successful in a variety of respects:

- Because of the grant, the employment and training community played a leadership role in the community planning process, and brought to that process an emphasis on human resources planning that typically is not incorporated into economic development planning.

- The project involved significant community involvement through the task forces. The following segments of the population were very well represented on the task forces: employment and training system, local government, education system (both youth and adult), business community, and social service agencies.

- The project incorporated a wide range of research and planning activities into the community planning process, including human resources topics (such as labor force analysis and competencies) that typically are not addressed in economic development planning.

- The project emphasized documenting grant activities so that the project, or components of it, could be replicated in other areas. Thorough records of grant activities were maintained as the project proceeded, and the lessons of the project were captured formally in a series of reports and guidebooks.

- Grant coordination was a major challenge because of all the different parties involved, but grant staff managed to foster an environment that resulted in highly effective Task Forces.

- This project is an example of a good working relationship between the state employment and training agency and the local grantee. New York State Department of Labor officials provided support and quality assurance to the project, but gave the local grantee a free hand in making decisions and conducting the project on a day-to-day basis.

DCA project staff and the members of the community who actively worked on the grant expected that their efforts would lay the foundation for continued planning and eventual implementation. They looked to the newly-won grant from the Office of Economic Adjustment as the source to implement many of the ideas in their plan. At this writing it is still unclear whether the Office of Economic Adjustment (OEA)-funded activities are taking full advantage of the work accomplished under the DCA grant. If the OEA grant-funded activities succeed in integrating and building on the DCA-grant funded activities, then the Seneca County demonstration project will be one of the few planning efforts in the country to show that linking economic planning and employment and training issues to create jobs and foster economic vitality is a successful strategy.

APPENDIX B

SUPPLEMENTARY PROJECT FACT SHEETS

FACT SHEET: SUPPLEMENTARY PROJECT

GRIFFIS AIR FORCE BASE COMMUNITY PLANNING PROJECT

Project Location	Rome, NY	*Grantee*	Griffis Local Development Corporation (OEA grant); Oneida County Employment and Training (DDP/EDWAA grants)
Type of Approach	Community Planning		
Key Sources of Public Funding	Office of Economic Adjustment (OEA); Defense Diversification Program (DDP); State Economic Dislocation and Worker Adjustment Assistance (EDWAA) Program	*Project Administrators*	Same as grantees
		Key Contacts	Steve DiMeo (OEA grant); Terry Humphries (DDP/EDWAA grants)
Grant Amount/ Period of Support	$6.2 million in total public funds from 1993 to 1996	*Geographic Area*	Oneida County, NY

Context

Oneida County is in central New York State. The region's unemployment rate has been relatively constant in recent years, but the economic base has shifted from manufacturing- to retail-based employment, accompanied by a net loss in wages. In 1993, the Base Realignment and Closure (BRAC) Commission announced the realignment of Griffis Air Force Base. The downsizing was expected to impact over 6,300 civilian and military employees.

Primary Goals

Two parallel, but largely unrelated, planning efforts were undertaken. The Griffis Redevelopment Planning Council (GRPC) convened to address base reuse issues. This group, which later became the Griffis Local Development Corporation, sought to:

- Develop a base re-use plan.
- Implement the plan and market the base to new potential private-sector employers.

The Oneida County Department of Employment and Training sought to:

- Establish a "one-stop" Regional Opportunities Center (ROC) for dislocated workers from the Base.
- Link these services to plans for community economic development being developed by the GRPC.

Key Players

- **Griffis Redevelopment Planning Council/Local Development Corporation** — Established by local officials to receive the OEA planning grant, and subsequently to plan for redevelopment of the base.
- **The Oneida County Department of Employment and Training** — Formal DDP/EDWAA grantee, designed and provided employment services to dislocated workers.

Significant Outcomes

- Survey conducted by the Local Development Corporation identified potential areas of economic growth.
- Services were provided to over 800 dislocated workers.
- Economic development plans were coordinated among five local agencies. The employment and training community was included as a member of the planning process.

FACT SHEET: SUPPLEMENTARY PROJECT

ORLANDO NAVAL TRAINING CENTER COMMUNITY PLANNING PROJECT

Project Location	Orlando, FL	*Grantee*	City of Orlando (OEA Funds); State of Florida Employment Services (DDP Funds)
Type of Approach	Community Planning	*Project Administrators*	Mayor's Office, City of Orlando; Central Florida Private Industry Council (PIC)
Key Sources of Public Funding	Office of Economic Adjustment (OEA); Defense Diversification Program (DDP)	*Key Contact*	Dianne Masser, City of Orlando
Grant Amount/ Period of Support	$4.7 million in total public funds from 1993 to 1996	*Geographic Area*	Greater metropolitan Orlando

Context

Although Orlando's economy is vibrant, the larger metropolitan area has been affected by workforce reductions at NASA and throughout the Florida "Space Coast" region, which have eliminated numerous defense and aerospace jobs. By the time the Base Realignment and Closure (BRAC) Commission announced in 1993 that the Naval Training Center (NTC) at Orlando was scheduled for closure between 1995 and 1999, the Mayor's Office had already begun planning for the transition of the property and the provision of services to the more than 2,600 civilian defense workers directly affected by the closure.

Primary Goals

The Mayor's Office established the NTC Reuse Commission to develop strategies for base transitioning and reuse. At the same time, the base commander and the local PIC were developing plans for assisting dislocated workers. These efforts were coordinated through overlapping memberships on relevant committees and well-developed informal networks. The project sought to:

- Assess the potential of NTC facilities in light of community needs.
- Create a community-wide consensus regarding the reuse and development of NTC.
- Plan the establishment of a "one-stop" Transition Assistance Center to provide requisite training and help dislocated base employees transition into new jobs.

Key Players

- **City of Orlando/Mayor's Office** — Formal OEA grantee and primary administrator of the planning aspects of the project; established NTC Reuse Commission to develop comprehensive plans for base reuse informed by broad-based community input.
- **Florida Department of Labor and Employment Services** — Formal DDP grantee, responsible for monitoring the use of funds.

Significant Outcomes

- **Central Florida PIC** — Coordinated with the local Job Service to establish a Transition Assistance Center on base to assist dislocated workers transition into new jobs.
- Over 3,000 Orlando residents participated in planning for base reuse.
- Although the project planned to serve a large number of dislocated workers, only 269 workers have lost their jobs to date.

FACT SHEET: SUPPLEMENTARY PROJECT

PLATTSBURGH AIR FORCE BASE COMMUNITY PLANNING PROJECT

Project Location	Plattsburgh, NY	*Grantee*	Plattsburgh Intermunicipal Planning Council (OEA funds); Plattsburgh Private Industry Council (PIC) (DDP funds)
Type of Approach	Community Planning		
Key Sources of Public Funding	Office of Economic Adjustment (OEA); Defense Diversification Program (DDP)	***Project Administrators***	Same as grantees
		Key Contact	Roseanne Murphy, Interim Executive Director, PIDC
Grant Amount/ Period of Support	$2 million in total public funds from 1993 to 1996	***Geographic Area***	Clinton County, NY

Context

Reductions in defense spending had resulted in gradual drawdown at Plattsburgh Air Force Base during the early 1990's. When the Department of Defense announced that the facility would be closed in 1995, the community was forced to grapple with what were expected to be substantial negative community impacts. It was estimated that the closure would result in the direct loss of over 3,000 jobs, with substantial indirect job loss as well, and would cost the community $84.7 million in lost direct and indirect expenditures.

Primary Goals

The Plattsburgh Intermunicipal Development Corporation, created by the local city, town, and county governments, began efforts to prepare for base closure by:

- Examining opportunities for job creation through economic development.
- Exploring options for facilities reuse.

At the same time, the PIC received a DDP grant to provide services to dislocated workers on base through the establishment of a Worker Assistance Center.

Key Players

- **Plattsburgh Intermunicipal Development Corporation** — Primary administrator of the planning aspects of the project; hired consultants to develop specific plans for base reuse and coordinated with local economic development agencies.
- **Plattsburgh Private Industry Council** — Used DDP funds, in coordination with the New York State Department of Labor, to establish the Worker Assistance Center.
- **Consultants** — Several consultants assisted in the design and implementation of specific plans for base reuse.

Significant Outcomes

- Plans for base reuse are being implemented.
- 523 dislocated workers were served through the Worker Assistance Center.
- Although the PIC was represented in the initial planning process, ultimately, the Development Corporation pursued base reuse independently of workforce development issues.

FACT SHEET: SUPPLEMENTARY PROJECT

ROCKY FLATS NUCLEAR WEAPONS PLANT COMMUNITY PLANNING PROJECT

Project Location	Rocky Flats, CO	***Grantee***	Rocky Flats Local Impacts Initiative (EDA, DOE grants); The local private industry council (DCA grant)
Type of Approach	Community Planning		
Key Sources of Public Funding	Economic Development Administration (EDA); Department of Energy (DOE); Defense Conversion Adjustment (DCA)	***Project Administrator***	Rocky Flats Local Impacts Initiative (RFLII)
		Key Contact	DeAnne Butterfield, Executive Director, RFLII
Grant Amount/ Period of Support	$6.2 million in total public funds from 1991 to 1995	***Geographic Area***	Rocky Flats/Denver metropolitan area, CO

Context

Rocky Flats lies just outside metropolitan Denver. The area has an unemployment rate slightly below the national average and is experiencing growth in the tourism, telecommunications, and service industries. In 1992, Rocky Flats Nuclear Weapons Plant was informed that it would be downsized considerably over a 10-year period. In 1993, changes in Defense Department policies collapsed the timetable for reconfiguration from 10 to 3 years. Over 6,000 jobs were expected to be eliminated in that time, resulting in a loss of nearly $40 million in direct and indirect earnings.

Primary Goals

The Rocky Flats Local Impact Initiative was designed to coordinate economic development efforts and minimize net job losses. The Initiative supported efforts to:

- Conduct an employer survey to inform the strategic planning process.
- Assist existing businesses, manufacturing companies in particular, to expand.
- Encourage the creation of new start-up companies in advanced manufacturing.
- Promote the development of the Front Range region of Colorado as a center for energy and environmental technology.
- Train dislocated workers in areas of job growth as identified by the Initiative.

Key Players

- **Rocky Flats Local Impact Initiative** — a coalition of 15 local government agencies that coordinated community and workforce development planning.
- **Private Industry Council** — Formal DCA grantee, established the Career Assistance Center to help dislocated workers transition to new jobs.
- **Training Providers** — A variety of state and local public educational institutions coordinated in developing new educational initiatives to support Initiative plans.

Significant Outcomes

- A wide range of groups informed the community response to defense downsizing.
- The project produced a report on local community impacts and used it to inform subsequent planning efforts.
- Dislocated workers have been prepared for jobs in occupations targeted for growth.

FACT SHEET: SUPPLEMENTARY PROJECT

TONOPAH TEST RANGE AND NEVADA TEST SITE COMMUNITY PLANNING PROJECT

Project Location	North Las Vegas, NV	***Grantee***	City of North Las Vegas Economic Development Department
Type of Approach	Community Planning	***Project Administrator***	City of North Las Vegas
Key Sources of Public Funding	Office of Economic Adjustment (OEA) Funds	***Key Contact***	Phyllis Martin, City of North Las Vegas Economic Development Department
Grant Amount/ Period of Support	$50,000 in OEA funds from 1992 to 1993	***Geographic Area***	Clark County, NV

Context

The city of North Las Vegas lies just outside of metropolitan Las Vegas, but has not benefited from the latter's low unemployment and high growth. North Las Vegas maintains a double-digit unemployment rate and low median household income. In 1990, the Department of Defense announced plans to terminate the Stealth Fighter contract at the Tonopah Test Range, just outside North Las Vegas. Shortly afterward, the Department of Energy announced plans to realign the Tonopah Test Range and the Nevada Test Site. Several thousand jobs were expected to be eliminated by 1996.

Primary Goals

With support from the OEA planning grant, the City of North Las Vegas established an Economic Recovery and Diversification Task Force that sought to:

- Provide adequate opportunities for public participation and community input in the development of a community response plan.
- Select a consultant to prepare a formal recovery and diversification plan.
- Oversee the consultant in the identification of strategies for diversification.

Key Players

- **The City of North Las Vegas Economic Development Department**— Formal OEA grantee, provided staff and support to the Task Force.
- **North Las Vegas City Council** — Appointed and monitored the Task Force.
- **Economic Recovery and Diversification Task Force** — Coordinated activities and input by public agencies, the consultant, the EDD and the community.
- **BRW, Inc.** — a consulting firm hired by the Task Force to develop a formal diversification plan.

Significant Outcomes

- A report on diversification strategies was produced by BRW Inc. and submitted to the Task Force in September 1993, but few recommendations have been acted on.
- The military facilities scheduled for realignment received Defense Conversion Adjustment (DCA) and Defense Diversification Program (DDP) funds to support worker retraining and reemployment.

FACT SHEET: SUPPLEMENTARY PROJECT

WURTSMITH AIR FORCE BASE COMMUNITY PLANNING PROJECT

Project Location	Oscoda Township, MI	***Grantee***	Township of Oscoda (OEA grant)
Type of Approach	Community Planning		
Key Sources of Public Funding	Office of Economic Adjustment (OEA) funded community planning; other funds were received from DOL/DCA and DOC/EDA	***Project Administrator***	Oscoda Township Office of Economic Adjustment
		Key Contact	Carl Sachs, Director, County Office of Economic Adjustment
Grant Amount/ Period of Support	Approximately $15 million in public funds from 1991 to 1995	***Geographic Area***	Iosco County, MI

Context

Iosco County is located in rural northeastern Michigan. The population is small (25,000) and county-wide unemployment has been chronically high (12-13%). In 1991, the Base Realignment and Closure (BRAC) Commission announced that the Wurtsmith Air Force Base would close in June of 1993. The closure was expected to directly impact over 5,700 civilian and military employees. Indirect community impacts were expected to be devastating, including a decline in the area's population, property values, and tax base, and the loss of health care facilities and educational resources.

Primary Goals

Local township officials formed the Wurtsmith Area Economic Adjustment Commission (WAEAC). The Commission used multiple funding sources to support activities contributing to community economic development:

- The OEA grant was used to establish the Oscoda Office of Economic Development to administer the OEA grant and develop plans for base reuse, reemployment of dislocated workers, and stabilization/growth of the local population and economy.
- The local JTPA entity independently secured DCA funds to support the retraining and/or relocation of dislocated civilian base workers.
- The Department of Commerce's Economic Development Administration provided $13 million for base clean-up, surveying, property rezoning, and the creation of a revolving loan fund for local business expansion.

Key Players

- **Wurtsmith Area Economic Adjustment Commission (WAEAC)** — Established by local officials to administer the OEA grant; WAEAC established the Oscoda Office of Economic Development.
- **Region 7B Employment and Training Consortium** — Formal DCA grantee, designed and provided employment services to dislocated civilian workers.

Significant Outcomes

- Permanent office of economic development established in Oscoda Township.
- OEA funds supported a consultant who developed comprehensive plans for base reuse.
- The base attracted 16 new tenants that hired nearly 800 Iosco County residents, although most jobs paid relatively low wages.

*U.S. Government Printing Office: 1997 - 423-274/70025

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